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**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY – WEST**

ANNUAL FINANCIAL REPORT

Year Ended June 30, 2009

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 9/23/09

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY – WEST
June 30, 2009**

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FINANCIAL SECTION

Paul C. Rivera, CPA

INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Southeast Louisiana Flood Protection Authority – West
Marrero, Louisiana

I have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Southeast Louisiana Flood Protection Authority – West (the “West Authority”), a component unit of the State of Louisiana, as of and for the year ended June 30, 2009, which collectively comprise the West Authority’s basic financial statements as listed in the table of contents. These financial statements are the responsibility of the West Authority's management. My responsibility is to express an opinion on these basic financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the West Authority as of June 30, 2009 and the respective changes in financial position and the budgetary comparison for the West Authority’s General fund, the West Jefferson Levee District O&M Special Revenue Fund and the Algiers Levee District O&M Special Revenue Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, I have also issued a report dated August 31, 2009, on my consideration of the West Authority’s internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing with the results of my audit.

The Management's Discussion and Analysis on pages 3 through 15 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. I have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, I did not audit the information and express no opinion on it.

My audit was made for the purpose of forming an opinion on the financial statements that collectively comprise the West Authority's basic financial statements. The Individual Fund Statements and Schedules, and the Supplementary Information are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards, is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

A handwritten signature in black ink that reads "Paul C. Rivera, CPA". The signature is written in a cursive, flowing style.

Paul C. Rivera, CPA
Marrero, Louisiana
August 31, 2009

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY – WEST**

MANAGEMENT’S DISCUSSION AND ANALYSIS

June 30, 2009

As management of the Southeast Louisiana Flood Protection Authority – West (the “West Authority”), we offer readers of the West Authority’s financial statements this narrative overview and analysis of the financial activities of the West Authority as of June 30, 2009 and for the fiscal year then ended. We encourage readers to consider the information presented here in conjunction with the financial statements. All amounts, unless otherwise noted, are expressed in thousands of dollars (\$1,000’s).

FINANCIAL HIGHLIGHTS

- The assets of the West Authority exceeded its liabilities at the close of the most recent fiscal year by \$61,467 (*net assets*). Of this amount, \$51,264 or 83.4 percent reflects its investment in capital assets (e.g., land, buildings, equipment, vehicles and infrastructure) and \$10,203 (*unrestricted net assets*) or 16.6 percent may be used to meet the government’s ongoing obligations to citizens and creditors.
- The West Authority’s total net assets increased by \$2,448 or 4.1 percent during the current year.
- As of the close of the current fiscal year, the West Authority’s governmental funds reported combined ending fund balances of \$10,671, an increase of \$1,061 or 11.0 percent. Approximately \$10,671 (or 100.0 percent) of this total amount is available for spending at the government’s discretion (*unreserved fund balance*).
- At the end of the current fiscal year, unreserved fund balance for the West Authority’s General Fund was \$379, which was 103.5 percent of total general fund expenditures (which is higher than the previous year percentage of 93.2 percent).
- The WJLD O&M Special Revenue Fund had unreserved fund balance of \$4,484, an increase of \$14 from last year. This amount was 87.9 percent of its total expenditures.
- The ALD O&M Special Revenue Fund had unreserved fund balance of \$1,334, an increase of \$31 from last year. This amount was 650.7 percent of its total expenditures.
- WJLD and ALD both maintain reserves in Emergency Funds. The fund balances in each district’s emergency fund totaled \$3,349 and \$420, respectively.
- In 2008, the West Authority issued Certificates of Indebtedness for the West Jefferson Levee District in the amount of \$2,000 to provide funds for the construction of an emergency command center. Payments on this debt totaled \$482 for 2009 (\$400 principal and \$82 interest). The project was completed in 2009 and capitalized into fixed assets as a building improvement.
- The U.S. Army Corps of Engineers continues to work on the Westbank and Vicinity Hurricane Protection Project and is covering 100 percent of the costs at this time.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the Southeast Louisiana Flood Protection Authority – West’s (the “West Authority”) basic financial statements. The West Authority’s basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The “government-wide financial statements” are designed to provide readers with a broad overview of the West Authority’s finances, in a manner similar to a private-sector business.

The “statement of net assets” presents information on all of the West Authority’s assets and liabilities, with the difference between the two reported as *net assets*. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the West Authority is improving or deteriorating.

The “statement of activities” presents information showing how the government’s net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expense are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the West Authority that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The West Authority only has governmental activities in the public works function. This function includes executive, administrative, and maintenance/construction activities.

The State of Louisiana (the primary government) issues financial statements that include the activity contained in these financial statements. The State’s financial statements are issued by the Louisiana Division of Administration – Office of Statewide Reporting and Accounting Policy and are audited by the Louisiana Legislative Auditor. The West Authority is a “component unit” of the State of Louisiana.

The West Authority, in turn, has two component units of its own, the West Jefferson Levee District and the Algiers Levee District, that are included (i.e., “blended”) in these financial statements. Both of these levee districts are separate legal entities from the West Authority, however, because the West Authority’s Board serves as their oversight boards, they are, in substance, part of the West Authority. The government-wide financial statements of the West Authority can be found on pages 18 and 19 of this report.

Fund financial statements. A “fund” is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The West Authority, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The West Authority’s funds are classified as “governmental funds”.

Governmental funds. “Governmental funds” are used to account for essentially the same functions reported as “governmental activities” in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government’s near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for “governmental funds” with similar information presented for “governmental activities” in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government’s near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between “governmental fund” and “governmental activities”.

The West Authority and its component units maintain various funds that are grouped for management purposes into various fund types. Information is presented separately in the Governmental Fund Balance Sheet and in the Governmental Statement of Revenues, Expenditures, and Changes in Fund Balances for the General Fund, the WJLD O&M Special Revenue Fund, The ALD O&M Special Revenue Fund, the WJLD Emergency Special Revenue Fund, the ALD Emergency Special Revenue Fund, the WJLD Westbank Hurricane Capital Projects Fund, and the WJLD Lafitte Levee Capital Projects Fund. All of these funds are considered to be “major” funds.

The West Authority adopts annual budgets for its General fund, the WJLD O&M Special Revenue Fund and the ALD O&M Special Revenue Fund. A budgetary comparison statement has been provided for each fund to demonstrate compliance with this budget. The basic governmental fund financial statements can be found on pages 20 - 26 of this report.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 27 - 62 of this report.

Other information. Individual fund statements and schedules, which show additional detailed financial information, are presented immediately following the notes to the financial statements on pages 63 – 74. Supplementary information, including a Schedule of Commissioners’ Per Diem, a Schedule of State Funding, a Schedule of Expenditures of Federal Awards, and the Division of Administration’s Reporting Package, is included on pages 75 - 130. The Single Audit and Compliance reports are on pages 131 to 136.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the West Authority, assets exceeded liabilities by \$61,467 at June 30, 2009.

A large portion of the West Authority's net assets (83.4 percent) reflects its investment in capital assets (e.g., land, buildings, furniture and fixtures, vehicles and heavy equipment, and infrastructure); less any related debt used to acquire those assets that is still outstanding. The West Authority used these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the West Authority's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other resources, since the capital assets themselves cannot be used to liquidate these liabilities.

SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST NET ASSETS

	Governmental Activities			
	2009		2008	
Current and other assets	\$	10,675	\$	10,507
Capital assets		52,864		51,736
Total assets		<u>63,539</u>		<u>62,243</u>
Long-term liabilities outstanding		2,069		2,326
Other liabilities		3		898
Total liabilities		<u>2,072</u>		<u>3,224</u>
Net Assets				
Invested in capital assets, net of related debt		51,264	83.4%	49,735
Restricted		-	0.0%	-
Unrestricted		10,203	16.6%	9,284
Total net assets	\$	<u>61,467</u>		<u>59,019</u>

The remaining balance of *unrestricted net assets* (\$10,203 or 16.6 percent) may be used to meet the government's ongoing obligations to citizens and creditors.

At June 30, 2009, the West Authority is able to report positive fund balances in all three categories of net assets.

The West Authority's net assets increased by \$2,448 or 4.1% during 2009.

Governmental Activities. Governmental activities increased the West Authority's net assets by \$2,448. Key elements of this decrease are as follows:

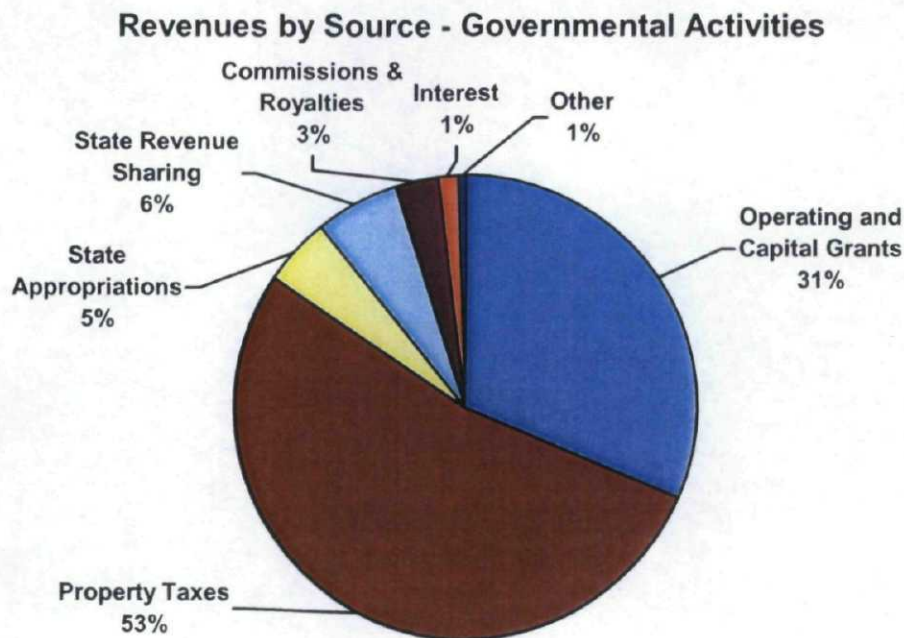
**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST
CHANGES IN NET ASSETS**

	Governmental Activities	
	2009	2008
Revenues:		
Program revenues:		
Charges for services	\$ -	\$ -
Operating grants and contributions	607	-
Capital grants and contributions	1,721	3,331
General revenues:		
Property taxes	5,526	5,601
State appropriations	500	500
State revenue sharing	503	613
Commissions and royalties	123	344
Interest	106	138
Gain (loss) on sale of equipment	(142)	52
Other	18	5
Total revenues	<u>8,962</u>	<u>10,584</u>
Expenses:		
Public works		
Executive	565	656
Administrative	1,099	652
Maintenance	3,280	2,878
Nondepartmental	439	535
Unallocated depreciation	1,049	1,100
Interest on long-term debt	82	-
Total expenses	<u>6,514</u>	<u>5,821</u>
Increase in net assets before extraordinary items	<u>2,448</u>	<u>4,763</u>
Extraordinary Items		
Transfer of assets from Orleans Levee District	-	156
Transfer of assets to Lafitte Levee District	-	(10,894)
	<u>-</u>	<u>(10,738)</u>
Increase in net assets	2,448	(5,975)
Net assets - Beginning of year	59,019	64,994
Net assets - end of year	<u>\$ 61,467</u>	<u>\$ 59,019</u>

- Operating grants increased by \$607 due to FEMA grants related to Hurricanes Gustav and Ike.
- Capital grants totaled \$1,721, a decrease of \$(1,610), due primarily to fewer revenues related to the East of Harvey Interim Flood Protection Project. Revenues of \$1,721 were recognized this year for this project. The prior year also included a nonrecurring \$541 from the Statewide Flood Control – Lafitte Tidal Levee project. This project is now recognized by the Lafitte Area Independent Levee District.
- Property taxes totaled \$5,526, a decrease of \$(76). Taxes for the West Jefferson Levee District made up \$4,426 of this total, an increase of \$576 or 14.9 percent. This increase relates to the roll-forward of the millage rates. The remaining \$1,100 represents taxes

allocated to the Algiers Levee District. This amount is \$(651) lower than last year due to the first year of operations including two tax years in it.

- State appropriations are provided for operations of the West Authority. The total amount received for 2009 and 2008 totaled \$500. This amount is set by statute.
- State revenue sharing totaled \$503 - \$461 for the West Jefferson Levee District and \$42 for the Algiers Levee District. These amounts are distributed based on the enabling statute.
- Commissions and royalties dropped \$(221), most of which resulted from fewer oil and gas royalty collections.
- Interest income was \$106, a drop of \$(32) due to declining interest rates.
- Gain or loss on sale of equipment was \$(142) this year due to the write-off of the previous year's auction proceeds that were never received from the auctioneer. The auctioneer is now in bankruptcy.

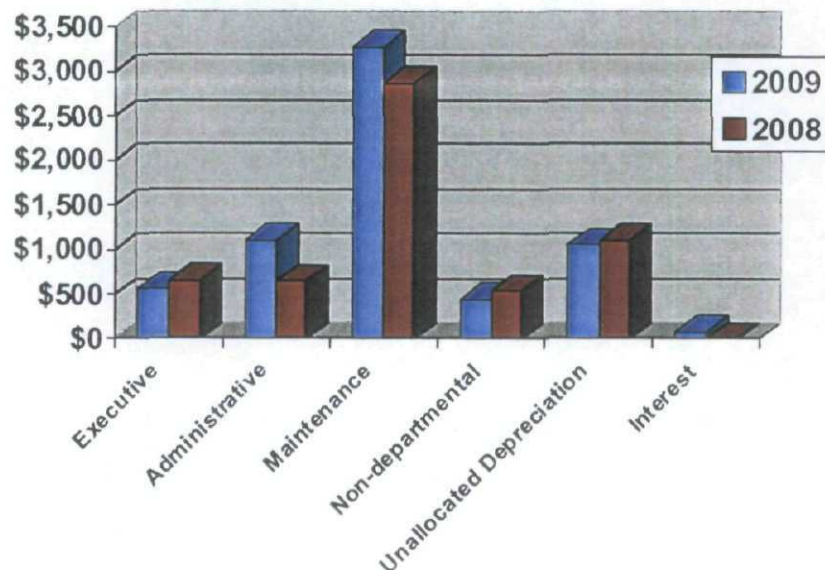


Expenses totaled \$6,514. A description of each function follows:

- The Executive function totaled \$565, a decrease of \$(91) over last year. This includes costs for the Commissioners' per diems, legal and auditing fees, consulting fees and dues and subscriptions. The SELFPA-W General Fund saw an increase of \$55, primarily in computer consulting fees and other professional services (related to recruiting fees for in-house engineer). The WJLD O&M Fund also saw a decrease in legal fees of \$(61) and a decrease of \$(148) in other consulting fees which relate to architect fees for the Emergency Center Buildout in the prior year. The ALD O&M Fund saw an increase of \$35 in computer consulting, as the work order system was rewritten during the year, and an increase of \$12 in legal fees.

- The Administrative function totaled \$1,099, an increase of \$447 over last year. SELFPA-W General Fund saw an increase of \$105, primarily in salaries as the Chief Administrative Officer was transferred from WJLD to this department. The WJLD O&M Fund saw an increase of \$311 - \$106 in salaries, \$40 in health insurance, \$38 in retirement, and \$109 in repairs and maintenance. The salaries relate to the hiring of an in-house engineer and the raise given the Chief Financial Officer. Health insurance was up due to increases in rates and repairs and maintenance was up due to repairs and costs associated with the emergency command center. The ALD O&M Fund saw an increase of \$30, primarily in equipment repairs, office supplies and telephone costs.
- The Maintenance function totaled \$3,280, an increase of \$402 over last year. \$567 of this increase was seen in the WJLD Emergency Fund. This was caused by Hurricanes Gustav and Ike. The ALD O&M Fund saw a decrease of \$(151) as the contract with the Orleans Levee District for levee maintenance was discontinued.
- Non-departmental function totaled \$439, a decrease of \$(96). This amount represents the cost of liability insurance for each fund and withholdings from the ad valorem tax allocations of the West Jefferson Levee District. Most of the decrease was in insurance premiums as redundant policies were eliminated upon the consolidation of the various levee districts.
- Unallocated depreciation totaled \$1,049, down \$(51) from last year. This represents depreciation on infrastructure (i.e., levees) that is not allocated to any of the functions.
- Interest on long-term debt totaled \$82 for 2009 as payments on the Certificates of Indebtedness were made during the year.
- The extraordinary items recognized last year relating to the creation of the Algiers Levee District and the Lafitte Levee District did not recur this year.

**Southeast Louisiana Flood Protection Authority - West
Expenses by Function/Segment**



FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

As noted earlier, the West Authority uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. The focus of the West Authority's "governmental funds" is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the West Authority's financing requirements. In particular, *unreserved fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At June 30, 2009, the West Authority's governmental funds reported a combined ending fund balance of \$10,671, an increase of \$1,061 or 11.0 percent in comparison to the prior year. Of the total, \$379 is reported in the General Fund, \$9,588 is in Special Revenue Funds, and \$704 is in Capital Project Funds.

The **General Fund** is the chief operating fund of the West Authority. At June 30, 2009, the unreserved fund balance of the General Fund totaled \$379. As a measure of the General Fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. For 2009, unreserved fund balance represents 103.5 percent of total general fund expenditures (an increase from the prior year percentage of 93.2).

The fund balance of the West Authority's General fund increased by \$146 during the current fiscal year. Key factors in this increase are as follows:

- The General Fund's revenues totaled \$512, expenditures totaled \$366, and other financing sources (uses) totaled \$-0-, resulting in the net increase of \$146.
- Intergovernmental revenues (state appropriations) totaled \$500, the same as last year. This represents 97.6 percent of General Fund revenues.
- As noted above, the West Authority's expenditures totaled \$366. This was made up of the following:
 - \$194 in the Executive Function – made up of per diems for the Commissioners, legal and auditing fees, consulting fees, travel expenditures, and dues and subscriptions
 - \$120 in the Administrative Function – made up mostly of charges for telephones and other administrative costs.
 - \$1 in Maintenance Function – related to utilities.
 - \$16 in Non-departmental Function – made up of unallocated liability insurance costs.
 - \$35 in Capital Outlay – due to the purchase of laptops and software.

The **WJLD O&M Special Revenue Fund** is the chief operating fund of the West Jefferson Levee District. At June 30, 2009, the unreserved fund balance of this Special Revenue Fund totaled \$4,484, an increase of \$14 from prior year. As a measure of the WJLD O&M Fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. For 2009, unreserved fund balance represents 87.9 percent of total fund expenditures (a slight increase from the prior year percentage of 86.0).

The fund balance of the WJLD O&M Special Revenue fund increased by \$14 during the current fiscal year. Key factors in this increase are as follows:

- The WJLD O&M Fund's revenues totaled \$5,057, expenditures totaled \$5,101, and other financing sources (uses) totaled \$58, resulting in the net increase of \$14.
- Property taxes totaled \$4,426, an increase of \$575 or 14.9 percent, due primarily to increases in the assessed values of property in the district and the roll-forward of the millage rate during the reassessment year.
- Intergovernmental revenues totaled \$461, an increase of \$19 over last year. This increase was seen in the state revenue sharing appropriation.
- Services charges totaled \$123, a decrease of \$(221) from last year. Most of this decrease was caused by a decrease in oil & gas royalties.
- Interest totaled \$40, a drop of \$(60) from last year. This was due to lower interest rates.
- As noted above, the WJLD O&M Fund's expenditures totaled \$5,101. This was made up of the following:
 - \$301 in the Executive Function – made up of per diems for the Commissioners, legal and auditing fees, consulting fees, travel expenditures, and dues and subscriptions. This function saw a decrease of \$(182) due to decreases in legal fees and in architect fees related to the Emergency Center Buildout.
 - \$892 in the Administrative Function – made up mostly of administrative costs. This function saw an increase of \$310, primarily in salaries and benefits, health insurance, retirement and repairs and maintenance.
 - \$2,275 in the Maintenance Function – made up of levee maintenance-related costs. This function saw a decrease of \$(40), \$(26) in salaries and benefits, \$(21) in auto insurance, \$21 up in repairs and \$(44) down in levee supplies.
 - \$363 in the Non-departmental Function – made up of unallocated liability insurance costs and withholdings by the State from the ad valorem tax revenues. This amount dropped \$(131) from the prior year as redundant insurance policies were canceled with the consolidation of the various operating funds.
 - Debt Services totaled \$482, related to paying off the outstanding certificates of indebtedness (\$400 principal and \$82 interest).
 - \$789 in Capital Outlay – due to the purchase of tractors, mowers and other equipment, and the construction of the Emergency Command Center Buildout.
- Other Financing Sources (Uses) netted out to \$58. This amount is made up of \$456 in transfers in, \$(330) in transfers out, and a \$(68) loss on sale of equipment.

The **ALD O&M Special Revenue Fund** is the chief operating fund of the Algiers Levee District. This is a new district that was formed by Act 475 of the 2007 Legislative Session. At June 30, 2009, the unreserved fund balance of this Special Revenue Fund totaled \$1,334, an increase of \$31 or 2.4 percent from the prior year. As a measure of the ALD O&M Fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. For 2009, unreserved fund balance represents 650.7 percent of total fund expenditures, excluding operating transfers.

The fund balance of the ALD O&M Special Revenue fund increased by \$31 or 2.4 percent, due to this being the first year of operations. Key factors in this increase are as follows:

- The ALD O&M Fund's revenues totaled \$1,186, expenditures totaled \$205, and other financing sources (uses) totaled \$(950), resulting in the net increase of \$31.
- Property taxes totaled \$1,100, a decrease of \$651 from the prior year. Last year's revenues included two years due to the creation of the new district. This amount was net of amounts withheld by Orleans Levee District for debt service in the amount of \$690.
- Intergovernmental revenues (state revenue sharing) totaled \$42, a decrease of \$(130) from last year. Again, last year included two year's of revenues.
- Interest totaled \$44, up \$36 from last year as cash reserves increased.
- As noted above, the ALD O&M Fund's expenditures totaled \$205. This was made up of the following:
 - \$70 in the Executive Function – made up of legal and accounting fees.
 - \$30 in the Administrative Function – made up of telephone and office supplies
 - \$45 in the Maintenance Function – made up of levee maintenance-related costs.
 - \$60 in non-departmental costs – primarily related to insurance.
- Other Financing Sources (Uses) netted out to \$(950). This amount is made up of \$-0- in transfers in, \$(876) in transfers out (\$456 to the WJLD O&M Fund for maintenance services and \$420 to the ALD Emergency Fund), and a \$(74) loss on the sale of equipment.

The **WJLD Emergency Special Revenue fund** has a total fund balance of \$3,349 at year-end, all of which is designated to be used only in emergencies. This fund had expenditures during the year of \$568, offset by revenues from FEMA totaling \$607 and interest of \$19. These revenues and expenditures relate to emergency work done during Hurricanes Gustav and Ike. Transfers in from the WJLD O&M Special Revenue Fund totaled \$330 during the year.

The **ALD Emergency Special Revenue fund** was created in 2009 with a transfer from the ALD O&M Fund of \$420,000. There were no other revenues or expenditures during the year. These funds are designated for future emergencies.

The **WJLD Westbank Hurricane Levee Capital Project fund** has a total fund balance of \$672 at year-end. \$1,721 was received from State's Coastal Protection and Restoration Fund to build an interim levee at the Harvey Canal. \$1,660 was spent on construction projects in the current year.

The **WJLD Lafitte Levee Capital Project fund** has a total fund balance of \$32. This fund is scheduled to close out next year as the new Lafitte Area Independent Levee District will take over projects in their area.

BUDGETARY HIGHLIGHTS

Revenues

The revenues of the **West Authority's General Fund** were relatively stable. The original budget called for a total of \$502, while the amended budget had revenues of \$512. The major line-item for the state allocation of operating costs to the West Authority was unchanged at \$500. Overall, revenues came in at or near budget.

The **WJLD O & M Special Revenue Fund's** final budget called for revenues of \$4,657, a decrease of \$(426) from the original budget. The largest decrease was seen in the Oil and Gas Royalties line-item, which was dropped \$(182) due to smaller than expected returns on drilling leases. The next largest decrease was in the property tax line, which dropped by \$(169), caused by lower than expected assessments. Finally, interest income went down \$93 due to declining interest rates.

Overall, revenues came in \$401 or 7.9 percent over budget. The largest variance was \$400 in property taxes as collections increased unexpectedly.

The **ALD O & M Special Revenue Fund's** final budget called for revenues of \$1,185, an increase of \$106 over the original. The original budget included line-items that were used prior to the reorganization of the district. Once Algiers was split off from Orleans and it was decided how the revenues would be shared or distributed, the budget was amended to reflect the final changes. In the end, ALD only recognizes the net amount of taxes given to it by Orleans Levee, after deducting funds for Orleans Levee's debt service. Thus, property taxes of \$1,100 are shown on the final budget. Overall, revenues came in right at budget.

Expenditures

Overall, the expenditures of the West Authority and its major operating funds came in at or near budget.

The **West Authority's General Fund** expenditures were \$2 more than the budgeted amount of \$364. All functions were basically right at or slightly over or under budget.

The **WJLD O&M Special Revenue Fund** expenditures were \$3 more than the budgeted amount of \$5,099. All functions were basically right at or slightly over or under budget.

The **ALD O&M Special Revenue Fund** expenditures were \$3 more than the budgeted amount of \$205. The largest variance was \$3 in office supplies as costs were lower than expected.

Amendments were made during the year to the expenditures of the West Authority and its two main component units. The following is a recap of the changes made by Fund and Function.

Fund/Object Level	Original Budget	Amendments	Final Budget
SELFPA-W General Fund			
Executive	\$ 272	\$ (79)	\$ 193
Administrative	166	(47)	119
Maintenance	-	1	1
Non-departmental	45	(29)	16
Property, plant and equipment	19	16	35
	<u>\$ 502</u>	<u>\$ (138)</u>	<u>\$ 364</u>
WJLD O & M Special Revenue Fund			
Executive	\$ 101	\$ 199	\$ 300
Administrative	631	263	894
Maintenance	3,379	(1,105)	2,274
Non-departmental	506	(145)	361
Debt service	520	(38)	482
Property, plant and equipment	325	463	788
	<u>\$ 5,462</u>	<u>\$ (363)</u>	<u>\$ 5,099</u>
ALD O & M Special Revenue Fund			
Executive	\$ 195	\$ (126)	\$ 69
Administrative	-	27	27
Maintenance	470	(425)	45
Non-departmental	30	30	60
Property, plant and equipment	-	4	4
	<u>\$ 695</u>	<u>\$ (490)</u>	<u>\$ 205</u>

The two largest changes in the WJLD O&M Fund were in Maintenance – down \$(1,105) and Property, Plant and Equipment – up \$463. Maintenance was down mainly in salaries and Property, Plant and Equipment was up due to additional costs associated with the Emergency Command Center Buildout.

The ALD O&M Fund's largest change came in Maintenance. In the previous year, ALD contracted out with the Orleans Levee District for maintenance and grass cutting services. This contract was not renewed in 2009. Also, the monies paid to WJLD are now treated as a transfer out after the consolidation of the West Authority's various component units and funds.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets. The West Authority's investment in capital assets for its governmental activities as of June 30, 2009 amounts to \$51,264 (net of accumulated depreciation and outstanding debt). This investment in capital assets includes land, buildings, furniture and equipment, vehicles and heavy equipment. The West Authority's investment in capital assets increased by \$1,528 or 3.1 percent. This increase was primarily due to additional work on the Westbank and Vicinity Hurricane Protection Levee and the search for borrow pits to be used during construction.

Major capital asset events during the current fiscal year included the following:

- \$730 was spent on construction in progress for the Emergency Command Center buildout; the total amount of \$1,812 was transferred to buildings upon completion of the project.
- \$37 was spent on furniture and fixtures, mostly laptops and communication equipment.
- \$72 was spent on machinery and equipment,
- \$1,660 was spent on infrastructure (i.e., levee improvements)

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST
CAPITAL ASSETS (NET OF DEPRECIATION)**

	Governmental Activities	
	2008	2008
Land	\$ 6,376	\$ 6,376
Construction in progress	-	1,082
Buildings	2,053	353
Furniture and equipment	88	76
Vehicles and heavy equipment	668	780
Infrastructure	43,679	43,068
Total	52,864	51,735
Related Debt	1,600	2,000
Net Investment in Fixed Assets	\$ 51,264	\$ 49,735

Additional information on the West Authority's capital assets can be found in Note D.3 in the footnotes.

Long-term Debt. At the end of the current fiscal year, the West Authority long-term debt totaled \$2,069. This amount is made up of \$221 in compensated absences, \$1,600 in Certificates of Indebtedness, and \$248 in Other Post-Employment Benefits (OPEB).

\$2,000 in Certificates of Indebtedness were issued in 2008 to finance the construction of the Emergency Command Center. During 2009, payments of \$482 (including \$82 of interest) were made on this debt. The \$248 in OPEB relates to the calculated amount of unfunded actuarial contributions that have been accrued on the financial statements. To date, the West Authority is not able to fund the actuarially calculated liability for OPEB.

Additional information on the West Authority's long-term debt can be found in Note D.4 and Note H.3 in the footnotes.

MAJOR EVENTS

The area serviced by the West Authority was affected by Hurricanes Gustav and Ike in August and September 2008. Emergency measures were undertaken and requests for reimbursement have been filed with FEMA. To date, \$607,153 in claims have been filed. See Note H.5 for more information.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

- The unemployment rate for the Parish of Jefferson is currently 6.8 percent, which is an increase from a year ago. Since Hurricanes Katrina and Rita, the rate has fluctuated as the population in the metropolitan area shifts. The recession currently gripping the country has also played a part in increasing this rate.
- Inflationary trends in the region compare favorably to national indices.
- It is anticipated that the State appropriation for operations will continue in the coming years.
- The millage rates for the West Jefferson Levee District and the Algiers Levee District are expected to stay the same. It has been the West Authority's policy to roll their millages forward when allowed to in order to keep up with inflation.

All of these factors were considered in preparing the West Authority's budgets for the 2009/2010 fiscal year.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the West Authority's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Board President, Southeast Louisiana Flood Protection Authority – West, 7001 River Road, Marrero, LA 70072.

BASIC FINANCIAL STATEMENTS

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST
STATE OF LOUISIANA**

**STATEMENT OF NET ASSETS
JUNE 30, 2009**

	GOVERNMENTAL ACTIVITIES
<hr/>	
ASSETS	
Cash and cash equivalents	\$ 9,574,143
Investments	272,875
Receivables (net of allowance for uncollectibles)	827,547
Internal balances	-
Capital assets (net of accumulated depreciation)	
Land	6,375,642
Buildings	2,052,854
Furniture and fixtures	88,255
Machinery, vehicles and equipment	668,063
Infrastructure	43,678,890
Construction in progress	-
TOTAL ASSETS	<hr/> 63,538,269 <hr/>
LIABILITIES	
Accounts payable and other current liabilities	3,411
Accrued payroll and deductions	68
Revenue/grant anticipation notes payable	-
Accrued interest payable	-
Unearned revenue	-
Noncurrent liabilities:	
Due within one year	620,616
Due in more than one year	1,447,503
TOTAL LIABILITIES	<hr/> 2,071,598 <hr/>
NET ASSETS	
Invested in capital assets, net of related debt	51,263,704
Restricted for:	
Debt service	-
Other	-
Unrestricted	10,202,967
TOTAL NET ASSETS	<hr/> \$ 61,466,671 <hr/>

The accompanying notes are an integral part of this statement.

SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST
STATE OF LOUISIANA

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2009

FUNCTION/BUREAU	EXPENSES	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	
Primary Governmental Activities:					
Public Works					
Executive	\$ 564,932	\$ -	\$ -	\$ -	\$ (564,932)
Administrative	1,099,490	-	-	-	(1,099,490)
Maintenance	3,280,156	-	607,153	-	(2,673,003)
Nondepartmental	438,988	-	-	1,720,749	1,281,761
Unallocated depreciation expense	1,049,306	-	-	-	(1,049,306)
Interest on long-term debt	82,000	-	-	-	(82,000)
Total governmental activities	\$ 6,514,872	\$ -	\$ 607,153	\$ 1,720,749	\$ (4,186,970)
GENERAL REVENUES:					
Property taxes					
State Appropriations					
State Revenue Sharing					
Commissions and royalties					
Unrestricted interest					
Gain (loss) on sale of equipment					
Other					
TRANSFERS IN (OUT)					
TOTAL GENERAL REVENUE AND TRANSFERS					
CHANGE IN NET ASSETS					
EXTRAORDINARY ITEMS					
Transfer in of net fixed assets from Orleans Levee District					
Transfer out of net fixed assets to Lafitte Levee District					
NET ASSETS					
Beginning of year					
End of year					
\$ 59,019,582					
\$ 61,466,671					

The accompanying notes are an integral part of this statement.

SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST
STATE OF LOUISIANA

GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2009

	SELFPAY- GENERAL FUND	WJLD OPERATIONS AND MAINTENANCE	ALD OPERATIONS AND MAINTENANCE	WJLD EMERGENCY FUND	ALD EMERGENCY FUND	WJLD WESTBANK HURRICANE PROTECTION LEVEE	WJLD LAFITTE LEVEE	TOTAL GOVERNMENTAL FUNDS
ASSETS								
Cash and cash equivalents	\$ 118,269	\$ 5,417,473	\$ 1,644,411	\$ 2,373,034	\$ -	\$ 20,742	\$ 214	\$ 9,574,143
Investments	-	-	272,875	-	-	-	-	272,875
Receivables (net of allowance for uncollectibles)	-	-	-	216,980	-	610,567	-	827,547
Due from other funds	263,937	162,847	-	759,444	420,000	72,188	31,715	1,710,131
TOTAL ASSETS	\$ 382,206	\$ 5,580,320	\$ 1,917,286	\$ 3,349,458	\$ 420,000	\$ 703,497	\$ 31,929	\$ 12,384,696
LIABILITIES AND FUND BALANCES								
Liabilities								
Accounts payable	\$ 2,812	\$ 599	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,411
Accrued payroll and deductions	68	-	-	-	-	-	-	68
Due to other funds	-	1,095,569	582,847	-	-	31,715	-	1,710,131
Revenue/grant anticipation notes payable	-	-	-	-	-	-	-	-
TOTAL LIABILITIES	2,880	1,096,168	582,847	-	-	31,715	-	1,713,610
Fund Balances								
Reserved for:								
Debt service	-	-	-	-	-	-	-	-
Unreserved, reported in:								
General Fund	379,326	-	-	-	-	-	-	379,326
Special Revenue Funds	-	4,484,152	1,334,439	3,349,458	420,000	-	-	9,588,049
Capital Project Funds	-	-	-	-	-	671,782	31,929	703,711
TOTAL FUND BALANCES	379,326	4,484,152	1,334,439	3,349,458	420,000	671,782	31,929	10,571,086
TOTAL LIABILITIES AND FUND BALANCES	\$ 382,206	\$ 5,580,320	\$ 1,917,286	\$ 3,349,458	\$ 420,000	\$ 703,497	\$ 31,929	

Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.

Net Assets of Governmental Activities
\$ 61,466,671

The accompanying notes are an integral part of this statement.

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST
STATE OF LOUISIANA**

**GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2009**

	SELFPA-W GENERAL FUND	WJLD OPERATIONS AND MAINTENANCE	ALD OPERATIONS AND MAINTENANCE	WJLD EMERGENCY FUND	ALD EMERGENCY FUND	WJLD HURRICANE PROTECTION LEVEE	WJLD LAFITTE LEVEE	TOTAL GOVERNMENTAL FUNDS
REVENUES								
Taxes								
Property taxes	\$ -	\$ 4,425,741	\$ 1,100,221	\$ -	\$ -	\$ -	\$ -	\$ 5,535,962
Intergovernmental								
Federal	-	-	-	607,153	-	-	-	607,153
State	500,000	461,053	41,617	-	-	1,720,749	-	2,723,419
Parish/Local	-	-	-	-	-	-	-	-
Service charges, fees, and commissions	-	123,137	250	-	-	-	-	123,387
Interest	2,503	40,276	43,678	18,881	-	975	2	106,315
Miscellaneous	9,897	7,624	4	-	-	-	-	17,525
TOTAL REVENUES	512,400	5,057,831	1,185,770	626,034	-	1,721,724	2	9,103,761
EXPENDITURES								
Current								
Public Works								
Executive	194,034	300,611	69,508	-	-	-	-	564,153
Administrative	119,988	892,254	30,394	-	-	-	-	1,042,636
Maintenance	1,368	2,275,159	44,568	567,665	-	-	-	2,888,760
Non-departmental	15,651	362,969	60,368	-	-	-	-	438,988
Debt Service								
Principal	-	480,000	-	-	-	-	-	480,000
Interest	-	82,000	-	-	-	-	-	82,000
Capital outlay								
Property, plant and equipment	35,162	788,663	-	-	-	-	-	823,825
Levee construction projects	-	-	-	-	-	1,660,179	-	1,660,179
TOTAL EXPENDITURES	366,203	5,101,656	204,838	567,665	-	1,660,179	-	7,900,541
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	146,197	(43,825)	980,932	58,369	-	61,545	2	1,203,220
OTHER FINANCING SOURCES (USES)								
Transfers in	-	456,209	-	330,000	420,000	-	-	1,206,209
Transfers out	-	(330,000)	(876,209)	-	-	-	-	(1,206,209)
Sale of capital assets	-	(68,050)	(73,750)	-	-	-	-	(141,800)
Bond proceeds	-	-	-	-	-	-	-	-
Donation of equipment	-	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	58,159	(949,959)	330,000	420,000	-	-	(141,800)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER SOURCES (USES)	146,197	14,334	30,973	388,369	420,000	61,545	2	1,061,430
FUND BALANCE								
Beginning of year	233,129	4,469,818	1,303,466	2,961,089	-	610,237	31,927	9,609,666
End of year	\$ 379,326	\$ 4,484,152	\$ 1,334,439	\$ 3,349,458	\$ 420,000	\$ 671,782	\$ 31,929	\$ 10,671,086

The accompanying notes are an integral part of this statement.

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST
STATE OF LOUISIANA**

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO
THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2009**

Amounts reported for governmental activities in the Statement of Activities (page 19) are different because:

Net change in fund balances - total governmental funds (page 21)	\$	1,061,420
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Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.		1,128,205
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The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to increase net assets.		-
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The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the payment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas, these amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Issuance of long-term debt (certificates of indebtedness)	-
Payment of long-term debt (certificates of indebtedness)	400,000
Increase in compensated absences	(19,898)

Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds, including expense of annual required contribution for OPEB.	(122,638)
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Change in net assets of governmental activities (page 19)	<u>\$</u>	<u>2,447,089</u>
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The accompanying notes are an integral part of this statement.

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST
STATE OF LOUISIANA**

**GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009**

	BUDGETED AMOUNTS		BUDGETARY ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
Intergovernmental				
State	\$ 500,000	\$ 500,000	\$ 500,000	\$ -
Service charges, fees, and commissions	-	-	-	-
Interest	2,160	2,525	2,503	(22)
Miscellaneous	200	9,900	9,897	(3)
TOTAL REVENUES	502,360	512,425	512,400	(25)
EXPENDITURES				
Current				
Public Works				
Executive	271,800	193,456	194,034	(578)
Administrative	166,000	118,455	119,988	(1,533)
Maintenance	-	1,160	1,368	(208)
Non-departmental	45,000	15,762	15,651	111
Capital outlay				
Property, plant and equipment	19,000	35,200	35,162	38
TOTAL EXPENDITURES	501,800	364,033	366,203	(2,170)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	560	148,392	146,197	(2,195)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Sale of capital assets	-	-	-	-
Donation of equipment	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER SOURCES (USES)	560	148,392	146,197	(2,195)
FUND BALANCE				
Beginning of year	233,129	233,129	233,129	-
End of year	\$ 233,689	\$ 381,521	\$ 379,326	\$ (2,195)

The accompanying notes are an integral part of this statement.

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST
STATE OF LOUISIANA**

**WEST JEFFERSON LEVEE DISTRICT - OPERATIONS AND MAINTENANCE SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009**

	BUDGETED AMOUNTS		BUDGETARY	VARIANCE WITH
	ORIGINAL	FINAL	ACTUAL	FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES				
Taxes				
Property taxes	\$ 4,195,184	\$ 4,025,745	\$ 4,425,741	\$ 399,996
Intergovernmental				
State	450,193	461,000	461,053	53
Service charges, fees, and commissions	304,303	122,258	123,137	879
Interest	132,618	40,000	40,276	276
Miscellaneous	-	7,623	7,624	1
TOTAL REVENUES	5,082,298	4,656,626	5,057,831	401,205
EXPENDITURES				
Current				
Public Works				
Executive	100,836	299,491	300,611	(1,120)
Administrative	630,914	894,111	892,254	1,857
Maintenance	3,378,533	2,274,061	2,275,159	(1,098)
Non-departmental	506,298	360,975	362,969	(1,994)
Debt Service				
Principal	400,000	400,000	400,000	-
Interest	120,000	82,000	82,000	-
Capital outlay				
Property, plant and equipment	325,000	788,500	788,663	(163)
Levee construction projects	-	-	-	-
TOTAL EXPENDITURES	5,461,581	5,099,138	5,101,656	(2,518)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(379,283)	(442,512)	(43,825)	398,687
OTHER FINANCING SOURCES (USES)				
Transfers in	1,033,080	456,000	456,209	209
Transfers out	(1,123,441)	(330,000)	(330,000)	-
Sale of capital assets	60,000	-	(68,050)	(68,050)
Bond proceeds	-	-	-	-
Donation of equipment	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	(30,361)	126,000	58,159	(67,841)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER SOURCES (USES)	(409,644)	(316,512)	14,334	330,846
FUND BALANCE				
Beginning of year	4,469,818	4,469,818	4,469,818	-
End of year	<u>\$ 4,060,174</u>	<u>\$ 4,153,306</u>	<u>\$ 4,484,152</u>	<u>\$ 330,846</u>

The accompanying notes are an integral part of this statement.

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST
STATE OF LOUISIANA**

**ALGIERS LEVEE DISTRICT - OPERATIONS AND MAINTENANCE SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009**

	BUDGETED AMOUNTS		BUDGETARY	VARIANCE WITH
	ORIGINAL	FINAL	ACTUAL	FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES				
Taxes				
Property taxes	\$ 766,050	\$ 1,100,287	\$ 1,100,221	\$ (66)
Intergovernmental				
State	82,990	41,500	41,617	117
Service charges, fees, and commissions	228,600	-	250	250
Interest	2,000	43,700	43,678	(22)
Miscellaneous	-	-	4	4
TOTAL REVENUES	1,079,640	1,185,487	1,185,770	283
EXPENDITURES				
Current				
Public Works				
Executive	195,072	69,412	69,508	(96)
Administrative	-	27,414	30,394	(2,980)
Maintenance	470,416	44,599	44,568	31
Non-departmental	30,000	60,300	60,368	(68)
Debt Service				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay				
Property, plant and equipment	-	3,600	-	3,600
Levee construction projects	-	-	-	-
TOTAL EXPENDITURES	695,488	205,325	204,838	487
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	384,152	980,162	980,932	770
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(479,664)	(884,811)	(876,209)	8,602
Sale of capital assets	-	-	(73,750)	(73,750)
Donation of equipment	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	(479,664)	(884,811)	(949,959)	(65,148)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER SOURCES (USES)	(95,512)	95,351	30,973	(64,378)
FUND BALANCE				
Beginning of year	1,303,466	1,303,466	1,303,466	-
End of year	\$ 1,207,954	\$ 1,398,817	\$ 1,334,439	\$ (64,378)

The accompanying notes are an integral part of this statement.

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**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY – WEST
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2009**

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Southeast Louisiana Flood Protection Authority – West (the “West Authority”) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the West Authority’s accounting policies are described below.

1. Reporting Entity

GASB Codification Section 2100 establishes criteria for determining the governmental reporting entity and its component units. Component units are defined as legally separate organizations for which the elected or appointed officials of a primary government are financially accountable. The criteria used in determining whether financial accountability exists include the appointment of a voting majority of an organization's governing board, the ability of the primary government to impose its will on that organization or whether there is a potential for the organization to provide specific financial benefits or burdens to the primary government. Fiscal dependency may also play a part in determining financial accountability. In addition, a component unit can be another organization for which the nature and significance of its relationship with a primary government is such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The West Authority was created by Act 1 of the First Extraordinary Session of 2006. The governing board of commissioners administers the operations and responsibilities in accordance with the provisions of Louisiana statutes. The West Authority is charged with overseeing the levee districts on the Westbank of the New Orleans Metropolitan area, which include the West Jefferson Levee District and the Algiers Levee District. The members of the Board are appointed by the Governor of the State of Louisiana from a list of nominations submitted by a nominating committee as provided by statute.

For financial reporting purposes, it has been determined that the West Authority is a component unit of the State of Louisiana. Annually, the State of Louisiana (the primary government) issues general purpose financial statements which include the activity contained in the accompanying financial statements. The State's general purpose financial statements are issued by the Louisiana Division of Administration - Office of Statewide Reporting and Accounting Policy and are audited by the Louisiana Legislative Auditor.

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NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

As noted above, the West Authority is charged with the responsibility of overseeing the West Jefferson Levee District and the Algiers Levee District. Both of these levee districts are separate legal entities from the West Authority, however, because the West Authority's Board serves as their oversight board, they are, in substance, part of the West Authority and are included (i.e., blended) within the West Authority's financial report.

The West Jefferson Levee District was incorporated on August 1, 1980, under the provisions of Act 820 of the 1980 Legislative session, as amended (Civil Service code). It was charged with providing flood protection for those areas contained within the Parish of Jefferson to the west of the Mississippi River. Act 475 of the 2008 Legislative session amended the district by carving out a portion of the covered area and designating it the Lafitte Area Independent Levee District. All lands and other assets in the designated area were turned over by the West Jefferson Levee District to the new Lafitte Area Independent Levee District. West Jeff continues to cover those areas in Jefferson Parish to the west of the Mississippi River that are not within the boundaries of the Lafitte Area Independent Levee District.

The Algiers Levee District was formed by Act 475 of the 2007 Legislative session. This Act carved a section out of the existing Orleans Levee District, specifically that portion of the Parish of Orleans on the west side of the Mississippi River.

2. Government-wide and Fund Financial Statements

Government-wide Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the West Authority. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. Because of the nature of the West Authority's operations, the West Authority reports only governmental activities.

The statement of activities demonstrates the degree to which the direct expense of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

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NOTES TO FINANCIAL STATEMENTS
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NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Financial Statements

Funds are used by the West Authority to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts. The funds of the West Authority are classified into the “governmental” category. The category, in turn, is divided into separate “fund types”.

Governmental funds are used to account for all or most of a government’s general activities, including the collection and disbursement of earmarked monies (special revenue funds), the acquisition or construction of general fixed assets (capital project funds), and the servicing of general long-term debt (debt service funds). The General Fund is used to account for all financial activities of the general government not accounted for in some other fund.

Major individual governmental funds are reported as separate columns in the fund financial statements. The West Authority reports the following major governmental funds:

The ***SELFPA-W General Fund*** is the general operating fund of the West Authority. It is used to account for all financial resources except those required to be accounted for in another fund.

The ***WJLD Operations and Maintenance Special Revenue Fund*** is the general operating account for the West Jefferson Levee District. It is used to account for all financial resources dedicated to administration and maintenance costs of the district.

The ***ALD Operations and Maintenance Special Revenue Fund*** is the general operating account for the Algiers Levee District. It is used to account for all financial resources dedicated to administration and maintenance costs of the district.

The ***WJLD Emergency Operations Special Revenue Fund*** accounts for monies that are restricted to expenditures in the West Jefferson Levee District related to emergencies.

The ***ALD Emergency Operations Special Revenue Fund*** accounts for monies that are restricted to expenditures in the Algiers Levee District related to emergencies.

The ***WJLD Westbank Hurricane Protection Levee Capital Project Fund*** is used to account for financial resources dedicated by the West Jefferson Levee District to be used for acquisition or construction of major capital facilities and structures related to the Westbank Hurricane Levee system.

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NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The *Lafitte Levee Capital Projects Fund* is used to account for financial resources to be used for the acquisition or construction of major capital facilities and structures in the area of the Town of Jean Lafitte, lower Lafitte, and Barataria.

3. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Governmental fund financial statements are reported using a *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The West Authority considers property taxes as available if they are collected within 60 days after year end. A one-year availability period is used for revenue recognition for all other governmental fund revenues. Property taxes, intergovernmental revenues, and interest associated with the current fiscal year are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt, as well as expenditures related to compensated absences and claims and judgments, only when payment is due.

4. Assets, Liabilities, and Net Assets or Equity

A. *Cash and Investments*

For reporting purposes, cash and cash equivalents includes amounts in demand deposits, time deposits, and certificates of deposit. Louisiana Revised Statutes allow the West Authority to invest in time certificates of deposit of state banks organized under the laws of Louisiana, national banks having their principal office in the State of Louisiana, in savings accounts or shares of savings and loan associations and savings banks and in share accounts and share certificate accounts of federally or state chartered credit unions.

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NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

State statutes authorize the West Authority to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds and repurchase agreements. In accordance with GASB Statement No. 31, investments, if any, are generally stated at fair value. If the investment is in money market securities and has a maturity date of less than 90 days from the balance sheet date, the investment is stated at cost or amortized cost.

B. *Interfund Receivables and Payables*

Activity between funds that are representative of lending/borrowing arrangements outstanding at year end are referred to as either “due to/from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the non-current portion of interfund loans). As a general rule, all interfund balances are eliminated in the government-wide financial statements.

C. *Inventories*

The cost of materials and supplies acquired by the West Authority are recorded as expenditures at the time of purchase. It is management's opinion that the inventory of such materials and supplies at June 30, 2009 would not be material to the financial statements.

D. *Prepaid Insurance*

Payments made to vendors for services that will benefit periods beyond June 30, 2009, are recorded as expenditures when paid. It is management's opinion that the prepaid amount June 30, 2009, if any, would not be material to the financial statements.

E. *Capital Assets*

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., levees, floodwalls, sector gates and similar items), are reported in the applicable governmental activities column in the government-wide financial statements. Capital assets are defined by the West Authority as assets with an initial, individual cost of more than \$500 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed and are included in construction in progress. The levees are divided into “reaches” and are capitalized as such. Any major “lifts” or improvements to an existing levee/reach are capitalized as an addition to that levee/reach.

Property, plant, equipment, and infrastructure are depreciated using the straight-line method (with a mid-year convention) over the following estimated useful lives:

<u>Asset Category</u>	<u>Estimated Life in Years</u>
Buildings	40
Furniture and fixtures	5
Autos and trucks	5
Mowers	5
Tractors	7-10
Heavy equipment	5
Radios	3
Infrastructure (levees, floodwalls, floodgates, etc.)	50

F. *Compensated Absences*

It is the West Authority’s policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the West Authority does not have a policy to pay any amounts when employees separate from service to the West Authority. All vacation pay is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements. In accordance with GASB Statement No. 16, an additional liability is recorded for salary related payments associated with the future payments of compensated absences.

G. *Long-Term Obligations*

In the government-wide financial statements, long-term debt and other long-term debt obligations are recognized as liabilities in the applicable governmental activities statement of net assets.

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NOTES TO FINANCIAL STATEMENTS
June 30, 2009**

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures. Payments of principal and interest are recorded as expenditures only when due.

H. Fund Equity

In the fund financial statements, governmental funds report reservations of fund balances for amounts that are not available for appropriation or are legally restricted by outside parties for a specific future use. Designated fund balances represent tentative plans for future use of financial resources that are subject to change.

NOTE B - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

1. Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Assets

The governmental fund balance sheet includes a reconciliation between *fund balance – total governmental funds* and *net assets – governmental activities* as reported in the government-wide statement of net assets. One element of that reconciliation explains that “long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.” The details of this \$(2,068,119) difference are as follows:

Certificates of Indebtedness Payable	\$ (1,600,000)
Compensated Absences Payable	(220,616)
Unfunded Annual Required Contribution for OPEB	(247,503)
Net adjustment to reduce <i>fund balance - total governmental funds</i> to arrive at <i>net assets - governmental activities</i>	<u><u>\$ (2,068,119)</u></u>

**SOUTHEAST LOUISIANA
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NOTES TO FINANCIAL STATEMENTS
June 30, 2009**

NOTE B - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENT (CONTINUED)

2. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-wide Statement of Activities

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net changes in fund balances - total governmental funds* and *changes in net assets of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that “Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.” The details of this \$1,128,205 difference are as follows:

Capital Outlay	\$ 2,499,549
Depreciation expense	(1,371,344)
Net adjustment to increase <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net assets - governmental activities</i>	<u><u>\$ 1,128,205</u></u>

NOTE C - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

1. Budget

Formal budgetary accounting is employed as a management control device during the year for the SELFPA-W General Fund, the WJLD Operations and Maintenance Special Revenue Fund, and the ALD Operations and Maintenance Special Revenue Fund. Budgetary data for the WJLD Emergency Special Revenue Fund is not presented since these funds are restricted for emergency purposes only and are considered unpredictable. Budgetary data for the Capital Project funds are not presented since these funds are budgeted over the life of the respective project, not on an annual basis.

Expenditures may not exceed appropriations at the object level within the fund. All annual appropriations which are not expended lapse at year end.

The budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP). Encumbrances are not recorded for budgetary purposes.

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NOTES TO FINANCIAL STATEMENTS
June 30, 2009**

NOTE C - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)

The Board of Commissioners of the West Authority submits the annual budgets to the Department of Transportation and Development - Office of Public Works (DOTD) and the Legislative Auditor for the succeeding fiscal year. The operating budgets include proposed expenditures and the means of financing them.

The DOTD reviews the budgets and makes recommendations pertaining thereto to the Board of Commissioners of the West Authority and the Legislative Auditor. Not less than ninety days before the end of the fiscal year, the Board of Commissioners adopts the annual budget after considering the recommendations of the DOTD. Amendments to the budget are made by the Board from time to time as is necessary.

The original budgets were adopted on March 27, 2009. The amended budgets were adopted on June 22, 2009. The budgeted amounts are included, respectively, as the original and final budgets in the accompanying statements.

2. Budget Amendments

The West Authority made several supplemental budgetary appropriations during the year. The most significant of the changes made are described below.

Revenues

The revenues of the West Authority's General Fund were relatively stable. The original budget called for a total of \$502,360, while the amended budget had revenues of \$512,425. The major line-item for the state allocation of operating costs to the West Authority was unchanged at \$500,000. The largest increase was in Miscellaneous Income – up \$9,700.

The WJLD O & M Special Revenue Fund's final budget called for revenues of \$4,656,626, a decrease of \$(425,672) from the original budget. The largest decrease was seen in the Oil & Gas Royalties line, which decreased by \$(182,031). This decrease has to do with the lower amount of drilling in the area for gas and oil. Property Taxes were reduced by \$(169,439) based on numbers available at the time. Finally, interest income was lowered by \$(92,618) as interest rates dropped to all time lows.

The ALD O & M Special Revenue Fund's final budget called for revenues of \$1,185,487, an increase of \$105,847 over the original. The largest change came in property taxes, which were increased \$334,237. This increase was a result of rolling forward the millage rates during the reassessment year. This increase was offset by a drop of \$(228,600) in Oil & Gas Royalties, as anticipated leases were not realized.

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June 30, 2009**

NOTE C - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)

Expenditures

The expenditures of the West Authority and its two main component units also changed during the year. The following is a recap of the changes made.

Fund/Object Level	Original Budget	Amendments	Final Budget
SELFPA-W General Fund			
Executive	\$ 271,800	\$ (78,344)	\$ 193,456
Administrative	166,000	(47,545)	118,455
Maintenance	-	1,160	1,160
Non-departmental	45,000	(29,238)	15,762
Property, plant and equipment	19,000	16,200	35,200
	<u>\$ 501,800</u>	<u>\$ (137,767)</u>	<u>\$ 364,033</u>
WJLD O & M Special Revenue Fund			
Executive	\$ 100,836	\$ 198,655	\$ 299,491
Administrative	630,914	263,197	894,111
Maintenance	3,378,533	(1,104,472)	2,274,061
Non-departmental	506,298	(145,323)	360,975
Debt service	520,000	(38,000)	482,000
Property, plant and equipment	325,000	463,500	788,500
	<u>\$ 5,461,581</u>	<u>\$ (362,443)</u>	<u>\$ 5,099,138</u>
ALD O & M Special Revenue Fund			
Executive	\$ 195,072	\$ (125,660)	\$ 69,412
Administrative	-	27,414	27,414
Maintenance	470,416	(425,817)	44,599
Non-departmental	30,000	30,300	60,300
Property, plant and equipment	-	3,600	3,600
	<u>\$ 695,488</u>	<u>\$ (490,163)</u>	<u>\$ 205,325</u>

The SELFPA-W's General Fund expenditures decreased \$(137,767) as follows: Executive went down \$(78,344) due to a decrease in the commissioner's per-diem line-item, as several board positions were vacant for a period of time. Miscellaneous costs were reduced \$(51,000) and office rent decreased \$(24,000) as there was no need for additional office space for the board of commissioners. These decreases were offset by an increase of \$29,500 in consulting fees (mostly recruitment fees related to the hiring of an engineer). Administrative went down \$(47,545) primarily due to a decrease of \$(76,700) in salaries offset by increases in telephone, repairs and supplies of \$18,162. Non-departmental decreased by \$(29,238) as redundancies in insurance coverages were eliminated. Finally, property, plant and equipment went up by \$16,200 as the West Authority purchased the communications equipment (radios and laptops).

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NOTE C - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)

The WJLD O & M Special Revenue Fund expenditures decreased \$(362,443) as follows: Executive increased \$198,655, primarily due to an increase of \$156,000 to professional services – other for architect fees associated with the construction of the emergency command center. Computer consultants also were up \$24,413 due to several changes being made to the accounting and work-order systems. Finally, legal was up \$17,669 due to additional fees incurred. Administrative increased \$263,197, with the largest increases coming in salaries - \$108,422 and health insurance - \$74,003. The increase in salaries was the result of hiring a staff civil engineer, as well as raises given to the Chief Financial Officer. Health insurance went up due to rate increases. Maintenance was down \$(1,104,472) due mainly to 1) a decrease of \$(966,475) in salaries, 2) increases of \$14,686 and \$65,344 in health insurance and retirement, respectively, 3) a decrease in property and equipment rentals of \$(119,223) and 4) a decrease of \$(104,718) in levee materials and supplies, as the Army Corps of Engineers has taken over most of the levees during the construction of the Westbank and Vicinity Hurricane Protection Project. Property, plant, and equipment increased by \$463,500 to account for additional purchases, as well as the completion of the construction of the emergency command center.

The ALD O & M Special Revenue fund expenditures decreased \$(490,163) as follows: Executive was down \$(125,660) due to decreases in miscellaneous costs and legal fees. Maintenance went down \$(425,817) mainly due to a reduction of \$(437,256) in general supplies. The money sent to the WJLD O & M fund for maintenance costs are now handled as a transfer out rather than a departmental cost. Non-departmental was up \$30,300 due to an increase in insurance costs.

Other Financing Sources (Uses)

Each fund also recognizes Other Financing Sources and Uses, primarily transfers in and out. These amounts changed as funding requirements changed.

3. Expenditures in Excess of Appropriations

For the year ended June 30, 2009, expenditures exceeded budget at various object levels within the following funds:

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NOTE C - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)

Fund/Object	Budget	Actual	Over Budget
Southeast Louisiana Flood Protection Authority - West			
Executive	\$ 193,456	\$ 194,034	\$ (578)
Administrative	118,455	119,988	(1,533)
Maintenance	1,160	1,368	(208)
WJLD Operations and Maintenance Special Revenue Fund			
Executive	\$ 299,491	\$ 300,611	\$ (1,120)
Maintenance	2,274,061	2,275,159	(1,098)
Non-departmental	360,975	362,969	(1,994)
Capital Outlay - property, plant & equipment	788,500	788,663	(163)
ALD Operations and Maintenance Special Revenue Fund			
Executive	\$ 69,412	\$ 69,508	\$ (96)
Administrative	27,414	30,394	(2,980)
Non-departmental	60,300	60,368	(68)

All of the overages were incidental and resulted from slight increases over what was originally estimated. The over budget items were funded through available fund balance.

NOTE D - DETAILED NOTES ON ALL ACTIVITIES AND FUNDS

1. Deposits with Financial Institutions

At June 30, 2009, deposits with financial institutions consisted of the following:

	Cash	Certificates of Deposit	Total
Deposits in Bank Accounts per Balance Sheet	\$ 9,574,143	\$ -	\$ 9,574,143
Bank Balances of Deposits Exposed to Custodial Credit Risk:			
A. Uninsured and uncollateralized	\$ -	\$ -	\$ -
B. Uninsured and collateralized with securities held by the pledging institution	-	-	-
C. Uninsured and collateralized with securities held by the pledging institution's trust department or agent but not in the Authority's name	-	-	-
Total Bank Balances Exposed to Custodial Credit Risk	\$ -	\$ -	\$ -
Total Bank Balances - All Deposits	\$ 10,157,682	\$ -	\$ 10,157,682

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NOTE D - DETAILED NOTES ON ALL ACTIVITIES AND FUND (CONTINUED)

In addition, the West Jefferson Levee District has three escrow accounts related to the Westbank Hurricane Protection Levee Project. In the first, the District has \$160,631 on deposit with the U.S. Army Corps of Engineers (COE). The second account has \$342,114, which was contributed by the Parish of Jefferson for construction of the Mount Kennedy Pump Station. The third has \$419,377, which was contributed by Louisiana Gaming for work around the riverboat casino. These amounts are not reported on the financial statements, as they are being held in jointly-owned escrow accounts pursuant to the cooperative endeavor agreements signed with the COE. As the district makes deposits into the escrow accounts, an expenditure is recognized. COE is allowed to draw on the escrow funds as needed in connection with the Westbank Hurricane Protection Levee project (See Note F).

The Algiers Levee District also has money in escrow accounts that is not reflected on the financial statements. As per state statute, the property tax collections in Orleans Parish are given to the Orleans Levee District first. Algiers receives a pro-rata share of the taxes collected, however, before the money is distributed, the Orleans Levee District deducts a pro-rata share of the outstanding bonded debt of the district. The remaining funds are then forwarded to the Algiers Levee District Operations and Maintenance Fund.

The money that was withheld for the 2009 debt service was placed in two escrow accounts pending payment to the bond holders. At June 30, 2009, no bond payments had yet been made. These two escrow accounts had balances of \$735,262 and \$1,271,108, respectively.

2. Investments

Custodial Credit Risk

Investments can be exposed to custodial credit risk if the securities underlying the investment are uninsured, not registered in the name of the entity, and are either held by the counterparty or the counterparty's trust department or agent but not in the entity's name. The West Authority's investments consist of shares in the Louisiana Asset Management Pool (LAMP). The balance held by the Algiers Levee District O&M Fund as of June 30, 2009 is \$272,875. Because this investment is not evidenced by securities that exist in physical or book entry form, it is not categorized for the purposes of this note.

Credit Risk of Investments

State law limits investments in commercial paper and corporate bonds to the top two ratings issued by nationally recognized statistical rating organizations. It is West Authority's policy to limit its investments in these investment types to the top ratings group. State statutes also allow the West Authority to invest in the Louisiana Asset Management Pool (LAMP).

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NOTES TO FINANCIAL STATEMENTS
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NOTE D - DETAILED NOTES ON ALL ACTIVITIES AND FUND (CONTINUED)

The following table lists the Town's investments by credit quality rating, whether held directly or indirectly (i.e., LAMP):

<u>Rating</u>	<u>Fair Value</u>
AAAm	<u>\$ 272,875</u>

Interest Rate Risk

In accordance with the West Authority's investment policy, exposure to declines in fair values is managed by limiting the maturity of its investments to less than 1 year. By investing in LAMP, the West Authority is even less exposed to long-term interest rate risk.

Concentrations of Credit Risk

The West Authority does not limit how much can be invested in a particular issuer as long as the limits set forth in State Statutes are met. At June 30, 2009, 100 percent of the West Authority's investments of \$272,875 were invested with the Louisiana Asset Management Pool (LAMP).

3. Receivables

Receivables at year end for the West Authority's individual major funds, in the aggregate, total \$827,547, as follows:

<u>Description</u>	<u>SELFPA-W General Fd</u>	<u>WJLD O & M Fd</u>	<u>ALD O & M Fd</u>	<u>WJLD Emergency Fd</u>	<u>WJLD Westbank Hurricane Protection Levee</u>	<u>Total</u>
Ad Valorem taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State Dept of Military Affairs (FEMA)	-	-	-	216,980	-	216,980
State Dept of Natural Resources	-	-	-	-	-	-
State Coastal Restoration fund	-	-	-	-	610,567	610,567
Other	-	-	-	-	-	-
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 216,980</u>	<u>\$ 610,567</u>	<u>\$ 827,547</u>

The \$216,980 relates to claims made with FEMA for labor and equipment used during Hurricane Ike in September 2008. This claim is under review and should be collected shortly. The \$610,567 receivable relates to the Harvey Canal Interim Protection project (See Note F).

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NOTE D - DETAILED NOTES ON ALL ACTIVITIES AND FUND (CONTINUED)

The West Authority wrote off two outstanding receivables from the prior year in 08/09. The first write off of \$141,800 related to the amount due from a surplus asset auction company that sold assets on behalf of the West Authority. This company never remitted the funds and has entered into bankruptcy protection. West Authority's attorneys are pursuing action, however, due to the uncertainty of collection, the receivable will be written off at this time.

Another write-off has to do with the \$362,437 receivable of ad valorem taxes that the West Authority recorded in the prior year. The West Authority performed a legal review of the matter and is satisfied that the monies due were collected. Thus, this receivable was taken off of the books in 2009 (See Note D.8).

4. Capital Assets

The following is a summary of changes in capital assets during the fiscal year:

	Balance July 1, 2008	Additions	Deletions	Internal Transfers	Balance June 30, 2009
Governmental Activities:					
Capital Assets, Not Being Depreciated					
Land	\$ 6,375,642	\$ -	\$ -	\$ -	\$ 6,375,642
Construction in progress	1,081,806	730,252	-	(1,812,058)	-
Total Capital Assets, not depreciated	\$ 7,457,448	\$ 730,252	\$ -	\$ (1,812,058)	\$ 6,375,642
Capital Assets, Being Depreciated					
Buildings	\$ 1,929,386	\$ -	\$ -	\$ 1,812,058	\$ 3,741,444
Furniture and Equipment	154,793	36,772	(7,404)	(19,335)	164,826
Machinery, Vehicles and Heavy Equip	1,743,848	72,346	(11,590)	19,335	1,823,939
Infrastructure	48,889,875	1,660,179	-	-	50,550,054
Total Capital Assets Being Depreciated	52,717,902	1,769,297	(18,994)	1,812,058	56,280,263
Less Accumulated Depreciation:					
Buildings	1,575,853	112,737	-	-	1,688,590
Furniture and Equipment	79,412	21,412	(7,404)	(16,849)	76,571
Machinery, Vehicles and Heavy Equip	962,728	187,889	(11,590)	16,849	1,155,876
Infrastructure	5,821,858	1,049,306	-	-	6,871,164
Total Accumulated Depreciation	8,439,851	1,371,344	(18,994)	-	9,792,201
Capital Assets Being Depreciated, Net	\$ 44,278,051	\$ 397,953	\$ -	\$ 1,812,058	\$ 46,488,062
Total Governmental Activities					
Capital Assets, Net	\$ 51,735,499	\$ 1,128,205	\$ -	\$ -	\$ 52,863,704

During 2009, \$1,660,179 was capitalized into fixed assets as infrastructure. This amount related to construction work done on the Westbank Hurricane Protection Levee (See Note F).

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NOTE D - DETAILED NOTES ON ALL ACTIVITIES AND FUND (CONTINUED)

The improvements to the West Jefferson Levee District Maintenance Facility were also completed during the year. The improvements are providing an emergency operations center along with hardening the building to withstand hurricane winds. Improvements totaling \$1,812,058 were added into fixed assets.

Depreciation expense was charged to the functions/segments of the West Authority as follows:

Component Unit/ Governmental Activity	Total
Public Works	
Executive	\$ 779
Administrative	43,294
Maintenance	277,965
Unallocated depreciation	1,049,306
Total Depreciation Expense	<u>\$ 1,371,344</u>

The unallocated depreciation relates to depreciation on the levee systems that are not allocable to the District's segments.

5. Long-Term Debt

Certificates of Indebtedness

On April 30, 2008, the West Authority issued Certificates of Indebtedness in the name of the West Jefferson Levee District in the amount of \$2,000,000 to finance the construction of the emergency command center. The certificates are secured by the pledge and dedication of excess annual revenues of the district over and above statutory, necessary and usual charges for the fiscal years ending June 30, 2008 to June 30, 2013. The certificates carry an interest rate of 4.10 percent, with payments of principal in the amount of \$400,000 due each year beginning on May 1, 2009. Interest is payable on May 1st and November 1st of each year. The final maturity date is May 1, 2013. The amount outstanding at year end was \$2,000,000.

Compensated Absences

West Authority employees, primarily those of the West Jefferson Levee District, earn annual and sick leave at various rates depending on the number of years of service. The amount of annual and sick leave that may be accumulated by each employee is unlimited.

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Upon termination, an employee is compensated for up to 300 hours of unused annual leave at the employee's hourly rate of pay at the time of termination. Upon retirement, the number of hours of unused sick leave is computed and considered in computing the years of service for retirement benefit purposes. Compensatory time is accrued up to a balance of 240 hours at a rate of time and one-half. An employee who exceeds 240 hours receives either monetary consideration or compensatory time for the amount of hours earned in excess of the 240 hour limit. Upon termination, an employee is paid for unused compensatory time.

Changes in Long-Term Debt

The following is a summary of changes in general long-term obligations of the West Authority for the fiscal year ended June 30, 2009:

Type of Debt	Balance 7/1/2008	Additions (Reductions)	Balance 6/30/2009	Due Within One Year	Due in More Than One Year
Certificates of Indebtedness	\$ 2,000,000	\$ (400,000)	\$ 1,600,000	\$ 400,000	\$ 1,200,000
Compensated Absences	200,718	19,898	220,616	220,616	-
	<u>\$ 2,200,718</u>	<u>\$ (380,102)</u>	<u>\$ 1,820,616</u>	<u>\$ 620,616</u>	<u>\$ 1,200,000</u>

The West Authority considers the compensated absences as due in less than one year. Thus, the government-wide financial statement of net assets shows \$620,616 as payable within one year.

Annual Debt Service to Maturity

Annual debt service to maturity on outstanding long-term debt, including interest of \$164,000, is as follows:

Fiscal Year Ending June 30,	Certificates of Indebtedness		
	Principal	Interest	Total
2010	\$ 400,000	\$ 65,600	\$ 465,600
2011	400,000	49,200	449,200
2012	400,000	32,800	432,800
2013	400,000	16,400	416,400
	<u>\$ 1,600,000</u>	<u>\$ 164,000</u>	<u>\$ 1,764,000</u>

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NOTE D - DETAILED NOTES ON ALL ACTIVITIES AND FUNDS (CONTINUED)

6. Reservations and Designations of Fund Balances

The nature and purpose of the reserves of fund balances (or restricted net assets) shown on the government-wide and fund financial statements are as follows:

Designated for Emergencies

The West Jefferson Levee District (WJLD) adopted a policy whereby any surplus fund balance remaining at year end in its O & M Fund is to be restricted for emergency purposes. These funds are not available for normal operating activities and can only be expended upon the declaration of an emergency by the Authority. At year end, \$3,349,458 is designated for this purpose out of the WJLD Emergency Special Revenue Fund's fund balance. The West Authority adopted a similar plan for the Algiers Levee District. Thus, the \$420,000 placed into the ALD Emergency Special Revenue Fund is also designated for emergency purchases.

Designated for Future Capital Outlay

This \$60,994 designation of the WJLD O & M fund balance represents the amount of surplus funds generated by the capital outlay accounts coming in under budget in previous years. Per the district's policy, these funds are designated for future capital outlays.

7. Interfund Transactions

Interfund Transfers

A summary of interfund transfers by fund for the fiscal year ended June 30, 2009 is as follows:

Fund	Transfers To/From	Transfer In	Transfer Out
WJLD O & M Special Revenue	ALD O & M Special Revenue	\$ 456,209	\$ -
	WJLD Emergency Special Revenue	-	330,000
		<u>456,209</u>	<u>330,000</u>
ALD O & M Special Revenue	WJLD O & M Special Revenue	-	456,209
	ALD Emergency Special Revenue	-	420,000
		<u>-</u>	<u>876,209</u>
WJLD Emergency Special Revenue	WJLD O & M Special Revenue	<u>330,000</u>	-
ALD Emergency Special Revenue	ALD O & M Special Revenue	<u>420,000</u>	-
Total All Funds		<u>\$ 1,206,209</u>	<u>\$ 1,206,209</u>

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NOTE D - DETAILED NOTES ON ALL ACTIVITIES AND FUNDS (CONTINUED)

The Algiers Levee O & M Fund reimburses the West Jefferson Levee O & M Fund for operating and administrative costs directly attributable to their activities. The West Jefferson Levee O & M Fund sets aside a portion of its annual surplus in the WJLD Emergency Fund. The Algiers Levee O & M Fund is also putting money aside into the ALD Emergency Fund.

Interfund Receivables and Payables

A summary of interfund balances at June 30, 2009 is as follows:

Fund	Due To/From	Due From	Due To
SELFPA-W General Fund	WJLD O & M Special Revenue	\$ 263,937	\$ -
WJLD O & M Special Revenue	SELFPA-W General Fund	-	263,937
	ALD O & M Special Revenue	162,847	-
	WJLD Emergency Special Revenue	-	759,444
	WJLD Westbank Hurricane Protection Capital Project	-	72,188
		162,847	1,095,569
ALD O & M Special Revenue	WJLD O & M Special Revenue	-	162,847
	ALD Emergency Special Revenue	-	420,000
		-	582,847
WJLD Emergency Special Revenue	WJLD O & M Special Revenue	759,444	-
ALD Emergency Special Revenue	ALD O & M Special Revenue	420,000	-
WJLD Westbank Hurricane Protection Capital Project	WJLD O & M Special Revenue	72,188	-
	WJLD Lafitte Levee Capital Project	-	31,715
		72,188	31,715
WJLD Lafitte Levee Capital Project	WJLD Westbank Hurricane Protection Capital Project	31,715	-
Total All Funds		\$ 1,710,131	\$ 1,710,131

These interfund balances and transfers are eliminated and not presented in the Statement of Activities.

8. Ad Valorem Taxes

West Jefferson Levee District

Article 6, § 39 of the 1974 Louisiana Constitution provides that for the purposes of constructing and maintaining levees, levee drainage, flood protection, hurricane flood protection, and for all other purposes incidental thereto, the West Jefferson Levee District may levy annually, a tax not to exceed 5.00 mills. If the district needs to raise additional funds in excess of the amount collected constitutionally, the taxes in excess of 5.00 mills must be approved by a majority vote of the electorate.

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The district levies an ad valorem (property tax) on real property within the district boundaries to finance operations and maintenance activities. The levy is generally made as of November 15 of each year. The tax is then due, and becomes an enforceable lien on the property, on the first day of the month following the filing of the tax roll by the Parish Assessor with the Louisiana Tax Commission (usually December 1). The tax is delinquent 30 days after its due date.

Ad valorem taxes are levied based on property values determined by the Jefferson Parish Assessor's Office (a separate entity). All land and residential improvements are assessed at 10 percent of its fair market value, and other property at 15 percent of its fair market value. Taxes are billed and collected by the Jefferson Parish Sheriff's Office and Ex-Officio Tax Collector (a separate entity), which receives a certain millage for its services. The taxes remitted by the Sheriff to the district are net of assessor's commission and pension fund contributions.

The number of mills levied for operations and maintenance on the 2008 and the 2007 tax rolls were 5.03 for each year. These millage rates generated revenues of \$4,624,995 in the current year. This amount is recorded as revenue by WJLD O & M Fund, net of \$200,000 given to Lafitte Area Independent Levee District. See Note E.2 for a discussion of the distribution of taxes between WJLD and the Lafitte Area Independent Levee District.

Algiers Levee District

Article 6, § 39 of the 1974 Louisiana Constitution provides that for the purposes of constructing and maintaining levees, levee drainage, flood protection, hurricane flood protection, and for all other purposes incidental thereto, the Orleans Levee District may levy annually, a tax not to exceed 5.46 mills. If the district needs to raise additional funds in excess of the amount collected constitutionally, the taxes in excess of 5.46 mills must be approved by a majority vote of the electorate. The area covered by this tax includes the area included in the newly formed Algiers Levee District.

In 1983, the voters of the Parish of Orleans elected to continue a 6.55 mill tax on assessed property for a period of 30 years (1985 to 2015) to finance hurricane and flood protection projects and to fund the retirement of levee improvement bonds. An additional millage of 0.75 mills is levied pursuant to a special election held in 1974 to provide a "general maintenance" tax to finance the general maintenance expenditures of the Orleans Levee District. Again, the areas covered by these taxes include the area now governed by the newly created Algiers Levee District.

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NOTE D - DETAILED NOTES ON ALL ACTIVITIES AND FUNDS (CONTINUED)

The actual millage rates levied for 2009 were 5.46 constitutional, 6.55 levee improvements, and 0.75 for general maintenance. Because these rates were “rolled-forward”, they increased by 1.49 mills, 1.79 mills, and 0.2 mills, respectively, on this year’s tax roll.

The Orleans Levee District levies an ad valorem (property tax) on real property within the district boundaries to finance operations and maintenance activities based on the assessed values of the prior August 15. As provided by LRS 47:1997(b), ad valorem taxes are assessed for the calendar year, become due on January 1 of each year, and delinquent on February 1 of each year. The taxes are generally collected between January and April of each year.

Ad valorem taxes are levied based on property values in the City of New Orleans determined by an Elected Board of Assessors (a separate entity). All land and residential improvements are assessed at 10 percent of its fair market value, and other property at 15 percent of its fair market value. Taxes are billed and collected by the City’s Revenue Department (a separate entity). The taxes are remitted by the City to the district.

As noted previously, the Algiers Levee District was formed by Act 475 of the 2008 Legislative session by carving an area out of the Orleans Levee District and placing it under the control of the West Authority. Due to the amount of outstanding debt on the books of the Orleans Levee District at the time of this reorganization, the Act provides for the distribution of the ad valorem taxes collected by the Orleans Levee District on a pro-rata share (7.62%) after a deduction for Algiers’ share of the debt service payments. For the current fiscal year, the following revenues were recognized by the Algiers Levee District:

Description	Amount Recognized
Ad Valorem Taxes - Current	\$ 2,166,153
Ad Valorem Taxes - Back Tax	-
Recognized in prior year	(13,282)
Write-off of prior year taxes	(362,437)
Algiers' pro-rata share of debt service	(690,213)
Net Tax Amount	<u>1,100,221</u>
State Revenue Sharing	41,617
Net Amount Recognized by ALD	<u><u>\$ 1,141,838</u></u>

The figures shown above include a deposit in transit of \$211,919. Of this amount, \$104,108 was recognized by the ALD O & M fund and \$107,811 was sent to the debt service escrow accounts held by the Orleans Levee District. These amounts were recognized at June 30, 2009.

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NOTE D - DETAILED NOTES ON ALL ACTIVITIES AND FUNDS (CONTINUED)

The previous year's revenues included an estimated receivable of \$362,437. This amount was estimated by management last year and was disputed by the management of the Orleans Levee District. The West Authority was contending that the ALD O & M fund was due a pro-rata share of previous back taxes. After further review, it was decided that this amount would not be collected and the amount was written off in 2009.

9. Intergovernmental Revenues

Pursuant to Act 1 of the First Extraordinary Session of 2006, the State provides operating funds of up to \$500,000 to the West Authority. During 2009, the amount recognized by the West Authority totaled \$500,000.

NOTE E - COMMITMENTS AND CONTINGENCIES

1. Risk Management

The West Authority and its component units are exposed to various risks of loss resulting from personal injury; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. To protect against these risks of loss, the West Authority purchases various types of insurance from commercial carriers.

Under these policies, general liability coverage is provided for up to a maximum of \$3,000,000 per occurrence (\$3,000,000 in the aggregate); automobile coverage is provided for up to \$250,000 per occurrence; and worker's compensation is provided at the statutory limits of \$1,000,000/\$1,000,000/\$1,000,000. In each policy, the West Authority or its component unit is responsible for the applicable deductible.

2. Contingent Liabilities

Federal and State Financial Assistance

Amounts received or receivable from grantor agencies are subject to audit and adjustments by grantor agencies, principally the federal and state governments. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable fund. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the West Authority expects such amounts, if any, to be immaterial.

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NOTE E - COMMITMENTS AND CONTINGENCIES (CONTINUED)

Litigation

The West Authority and its component units are defendants in a number of claims and lawsuits. The West Authority's attorney has reviewed these claims and lawsuits in order to evaluate the likelihood of an unfavorable outcome to the West Authority and to arrive at an estimate, if any, of the amount or range of potential loss to the West Authority.

As a result of such a review, the various claims and lawsuits have been categorized into "probable", "reasonably possible", and "remote" categories, as defined in GASB Codification Section C50 for Claims and Judgments. In the opinion of management, the West Authority has adequate legal defenses or insurance coverage with respect to each of these claims and lawsuits and does not believe that they will materially affect the West Authority's financial statements.

One claim valued at \$525,000 was deemed "reasonably possible" by the West Authority's legal counsel. This claim relates to the taking of property along the Harvey Canal by the State of Louisiana for construction of the Westbank and Vicinity Hurricane Protection Project by Executive Orders No. KBB 2007-5 and KBB 2007-19. Negotiations are ongoing and no settlements have been reached as of the date of this report.

Lafitte Area Independent Levee District

Act 475 of the 2007 Legislative session carved out a portion of the West Jefferson Levee District (WJLD) into a new Lafitte Area Independent Levee District. As per the creating statute, WJLD turned over all assets and funds in the newly created area to the Lafitte Levee District. Several capital assets were transferred to the new district; however, due to the timing of the reorganization and delays in setting up the new district, WJLD continues to receive the ad valorem taxes for the entire area for the current tax roll year.

The Assessor's Office was asked to make a final determination on the allocation of taxes between WJLD and Lafitte based on a review of the tax rolls. In the meantime, WJLD advanced \$150,000 in 2008 and another \$200,000 in 2009 to Lafitte as a down-payment on taxes owed.

In April 2008, the Assessor's Office indicated that WJLD owed Lafitte an additional \$77,205. This would mean that an additional \$27,205 is due for 2009. WJLD is disputing these figures as the Assessor's numbers appears to include property outside of the statutory boundaries of the newly created Lafitte Levee District. The West Authority has asked the Assessor's Office to take a second look at their calculations. Due to the uncertainty of the amounts, nothing has been accrued in the financial statements.

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NOTE F – JOINT VENTURE – WESTBANK HURRICANE PROTECTION LEVEE

1. Description of Projects

The Initial Westbank Hurricane Protection Project

Pursuant to a project cooperative agreement (PCA) dated December 18, 1980, the West Jefferson Levee District (WJLD) and the U.S. Army Corps of Engineers (COE) began constructing a hurricane protection levee system within the District's boundaries under a "cost-sharing" agreement. Under the original agreement, the project was limited to the West of Harvey Canal and the District was to provide 35 percent of the cost as a local match. The WJLD's share was to be made up of expropriations, easements, land acquisitions, relocation assistance and in-kind construction work.

Upon completion of the levee, the District would be responsible for maintenance and repairs of the levee system (i.e., fertilizing and cutting the grass, monitoring crossings, minor repairs, etc.).

Pursuant to the West Authority vested in LRS 38:81, on May 5, 1993, the Governor of the State of Louisiana designated the DOTD, a state agency, as the "non-federal" sponsor of the project and relegated the District to the role of "executive agent" for the DOTD on the project. Act 1012 of the 1993 Legislative session and a new cooperative agreement, dated November 22, 1995, between the District and DOTD allowed modification of the agreement with the COE in order to set forth the responsibilities of each party in relation to the project. Under the current arrangement, DOTD is now responsible for providing the "non-federal" local share of the project cost and to provide the District with certain engineering services, as needed. The District is to act as "executive agent" for DOTD for purposes of administering the project. This arrangement was finalized in Amendment No. 1 to the Project Cooperative Agreement (PCA) on April 26, 2000.

Under the Water Resources and Development Act of 1996, two additional phases were added to the project - Lake Cataouatche and the East of Harvey Canal levee. The total project cost is currently estimated at \$340.0 million. Of this, \$221.0 is federal and \$119.0 is state/local (i.e., "non-federal"). The non-federal local share of the project is being funded in various ways. A significant portion is coming from "expenses of non-federal interest" allowed by the COE for interim and compatible expenditures incurred by the District.

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**NOTE F – JOINT VENTURE – WESTBANK HURRICANE PROTECTION LEVEE
(CONTINUED)**

Post-Katrina Projects

In the wake of Hurricane Katrina, several changes were made/proposed to the project. In December 2006, the United States Congress passed the 3rd Supplemental Emergency Bill which provides approximately \$200.0 million to the District to repair deficient flood-walls and to accelerate completion of those parts of the project not yet finished. 100 percent of the funding is to be provided by the Federal Government through the COE.

In June 2008, Congress passed the 4th Supplemental Emergency Bill which provided an additional \$495.0 million to raise the authorized elevation of levees in the area to meet the requirements of a 100 year event. Flood-wall construction is to be funded at 100 percent by the Federal Government, but levee construction is now funded at 65 percent Federal and 35 percent Local. This appropriation is to be spent on the Westbank Hurricane Protection Levee and the Lake Ponchartrain Levee (managed by the East Jefferson Levee District). The bill does not allocate the funding between agencies/jurisdictions.

The 4th Supplemental Emergency Bill also provides \$1.584 billion to replace all flood-walls within the New Orleans Metropolitan area, including the Parishes of Orleans, St. Bernard, and Jefferson (which includes the area managed by the West Jefferson Levee District). The bill does not allocate the funding between agencies/jurisdictions.

The State amended the Project Cooperative Agreement (PCA) between the State DOTD, the COE, and the levee districts to provide for these changes. Amendment No. 2 to the agreement defines the funding and responsibilities for the 3rd Supplemental Emergency Bill. Amendment No. 3 to the agreement is not yet completed, but is going to address the funding and responsibilities for the 4th Supplemental Emergency Bill.

To provide for the continued construction of hurricane flood protection for coastal Louisiana, the State legislature amended existing legislation that created the Coastal and Restoration Authority (CRA) to add hurricane flood protection to its responsibility by creating the Coastal Protection and Restoration Authority (CPRA). This organization was charged with the duty of providing “one voice” from which to speak on all issues involving coastal restoration and hurricane protection for the State of Louisiana.

It is in this regard that the CPRA executed a Project Partnership Agreement with the U.S. Army Corps of Engineers on November 6, 2008, to cover the relationship between non-federal interests and the Corps for continued construction of the West Bank and Vicinity Hurricane Protection Project.

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**NOTE F - JOINT VENTURE - WESTBANK HURRICANE PROTECTION LEVEE
(CONTINUED)**

In this agreement, the State agreed to provide for the 35% required nonfederal match needed for the project. The Southeast Louisiana Flood Protection Authority – West (West Authority) through its West Jefferson Levee District has accepted the responsibility of managing the duties of land acquisition and relocation of impacted utilities/facilities. The cost of this activity is being borne by the Office of Coastal Protection and Restoration through the payment of reimbursable items as submitted by the West Jefferson Levee District.

An agreement between the CPRA and the West Authority, on behalf of its component unit the West Jefferson Levee District (WJLD), is currently in negotiation. The agreement will detail the responsibilities and duties of the WJLD as to its participation in construction, inspection, funding and operation and maintenance of the completed hurricane project.

2. Funding of the Projects

The Initial Westbank Hurricane Protection Project

Each year, the COE notifies the State and the District of the amount of cash assistance (or equivalent work) required of the “non-federal” sponsor each fiscal year. The matching funds are derived from local revenues of the District and State Capital Outlay or Statewide Flood Control monies. Any cash match is deposited into escrow accounts set up with the COE. Non-cash matches and the District’s direct expenditures are submitted as “credits” to the COE to be applied against the non-federal share.

During the fiscal year ended June 30, 2009, the District expended \$-0- in direct costs on the initial project, bringing the to-date local share (excluding creditable indirect costs) to \$52,977,266. Prior to Katrina, the COE had spent nearly \$151,966,000 on the federal share of the project. Because the COE is now paying for 100 percent of the project as called for in the 3rd Supplemental Emergency bill, the final cost of the project and the local share required are no longer known.

In addition, the District has obtained commitments from the State of \$11,391,030 through the Statewide Flood Control Program. This amount represents 70 percent of the estimated construction cost of the Westwego to Harvey Canal phase to be borne by the non-federal sponsor. The District is required to put up the remaining 30 percent as a match. To date, the entire \$11,391,030 has been appropriated by the State. Of this amount, \$11,160,243 has been expended, leaving an available balance of \$230,787. This balance will result in a required future match from the District of \$592,735. The District has designated a portion of the West of Harvey Canal Capital Project Fund’s fund balance for purposes of matching the State funds.

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**NOTE F - JOINT VENTURE - WESTBANK HURRICANE PROTECTION LEVEE
(CONTINUED)**

Funding has also been received through the State Capital Outlay Program (State Project No. 750-99-0102). The following amounts have been received or accrued under these programs:

Year Awarded	Amount Awarded	Amount Expended in Prior Years	Amount Expended In Current Year	Balance
95/96	\$ 200,000	\$ (200,000)	\$ -	\$ -
96/97	500,000	(500,000)	-	-
98/99	1,000,000	(1,000,000)	-	-
98/99	600,000	(600,000)	-	-
98/99	5,400,000	(5,399,931)	-	69
99/00	5,000,000	(5,000,000)	-	-
01/02	2,450,000	(2,450,000)	-	-
02/03	4,000,000	(4,000,000)	-	-
03/04	2,500,000	(1,038,258)	-	1,461,742
05/06	6,000,000	-	-	6,000,000
	<u>\$ 27,650,000</u>	<u>\$ (20,188,189)</u>	<u>\$ -</u>	<u>\$ 7,461,811</u>

Post-Katrina Projects

Until the Local Cooperative Agreement is completely amended, the District's funding responsibilities under the new projects are not known. As noted above, the COE is currently paying for 100 percent of the repairs and improvements to the levee system.

One project not being paid for by the COE is the East of Harvey Canal Interim Flood Protection project (Project No. 579-26-004). This project is being funded by the State's General Fund by statutory dedication out of the Coastal Protection and Restoration Fund administered by the Louisiana Department of Transportation and Development (LA-DOTD). Act 203 of the 2008 Regular Session designated \$4,000,000 for this project. During 2009, the West Authority spent \$1,720,749 on this project. As of June 30, 2009, \$1,110,182 has been received and a receivable for the balance of \$610,567 has been accrued.

3. Status of the Projects

As of June 30, 2009, all of the major reaches of the Westwego to Harvey Canal phase have been completed and are capitalized into fixed assets as infrastructure. Some reaches are entering a "lift" phase, which will be accounted for as an addition to that particular reach upon completion. The rest of East of Harvey and Lake Cataouatche sections were in progress until the COE took over all of the work, as called for in the 3rd Supplemental Emergency Bill. Thus, the COE is now responsible for all repairs, land acquisitions and expropriations. Once this phase of work is done, the District may be required to resume its role in the projects.

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY – WEST
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2009**

NOTE G - LAFITTE AND VICINITY LEVEES

The Town of Jean Lafitte, lower Lafitte, and the Barataria/Crown Point vicinities lie outside of the area protected by the Westbank Hurricane Protection Levee project (See Note F). Since these areas are very susceptible to flooding, the District was in the process of constructing various flood control levees throughout the area. There were four phases of the project - 1) Fisher Basin (Jean Lafitte Tidal Protection), 2) Goose Bayou Basin (Lafitte Tidal Protection), 3) Rosethorne, and 4) Paillet Basin (Barataria Tidal Protection).

As discussed in Note E.2, Act 475 of the 2008 Legislative session carved out a portion of the West Jefferson Levee District (WJLD) into a new Lafitte Area Independent Levee District. Under the creating statute, WJLD turned over all assets and funds in the newly created area to the Lafitte Levee District. Thus, these projects are now the responsibility of the Lafitte Area Independent Levee District.

Because the State still recognizes the WJLD as the local sponsor, the Lafitte Levee District would spend the money and then request reimbursement from WJLD. WJLD, in turn, would bill the State. During 2009, \$894,895 was passed-through the WJLD to the Lafitte Levee District for Project 579-26-0003 – Lafitte Tidal Protection – Phase 2. These transactions were simply a pass-through and are not reflected in these financial reports.

NOTE H - OTHER INFORMATION

1. Pension Plan

Plan Description and Provisions

The West Authority contributes to the Louisiana State Employees' Retirement System (the "System"), a cost-sharing multiple-employer defined benefit public employee retirement system (PERS). The System is a statewide public retirement system for the benefit of State Agencies and their staffs, which is administered and controlled by a separate board of trustees. The System was established and provided for within Title 11 of Chapter 401 of the Louisiana Revised Statutes.

Contributions of participating agencies, together with shared local and state revenues, are pooled within the System to fund accrued benefits, with employer/employee contribution rates approved by the Legislature. The System provides retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries.

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY – WEST
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2009**

NOTE H - OTHER INFORMATION (CONTINUED)

The System issues a publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to Louisiana State Employees' Retirement System, 8401 United Plaza Boulevard, Baton Rouge, Louisiana 70809.

Funding Policy

In addition to ad valorem and insurance premium taxes that are remitted to the System (which constitute the major funding of the System), plan members are required by State statute to contribute 7.65 percent of gross salary and the West Authority is required to contribute at an actuarially determined rate. The current rate is 18.50 percent of annual covered payroll. The contribution requirements of plan members and the West Authority are established and may be amended by the System's Board of Trustees.

The contributions for the year ended June 30, 2009 were as follows:

	Covered Payroll	Amount	Percent of Covered Payroll
Employee	\$ 1,380,058	\$ 105,611	7.65%
Employer	1,380,058	254,883	18.47%

The West Authority's contributions for the previous two fiscal years were \$223,915 and \$145,140, which equaled the required contributions for each year.

2. Deferred Compensation

The West Authority offers the employees of the West Jefferson Levee District a deferred compensation plan (the "plan") created in accordance with Internal Revenue Code (IRC) Section 457. The plan, available to all employees of the district, permits them to defer a portion of their salary until future years. The West Authority matches any contributions into the plan on a one-for-one basis up to \$35. During the year, the West Authority expended \$27,087 as a match on deferred compensation.

The deferred compensation is not available to employees until termination, retirement, death, or an unforeseeable emergency. Investments are managed by the Plan's trustee (Great Western). The choice of the investment option(s) are made by the Plan participants. In 1996, the U.S. Congress passed the Small Business Job Protection Act of 1996, which requires that employer governments place all amounts deferred under IRC Section 457 into a trust for the exclusive benefit of participants and their beneficiaries. Thus, the District does not have ownership of the plan assets and does not report them in the West Authority's financial statements.

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY – WEST
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2009**

NOTE H - OTHER INFORMATION (CONTINUED)

3. Post-employment Health Care Benefits

Plan Description

The West Authority's medical and dental benefits are provided through the Louisiana Office of Group Benefits (OGB) and involve several statewide networks and one HMO with a premium structure by region. The OGB plan is a fully insured, multiple-employer arrangement and has been deemed to be an *agent multiple-employer plan* (within the meaning of paragraph 22 of GASB 45) for financial reporting purposes and for this valuation.

The OGB "Medicare Advantage" plan has been assumed to apply to those employees after Medicare eligibility for purposes of this valuation. Medical benefits are provided to employees upon actual retirement. Employees are covered by the Louisiana State Employees' Retirement System (LASERS), whose retirement eligibility (DROP entry) provisions as follows: 30 years of service at any age; age 55 and 25 years of service; or, age 60 and 10 years of service.

Life insurance coverage under the OGB program is available to retirees by election and the blended rate (active and retired) is \$0.96 per \$1,000 of insurance. The employer pays 50% of the cost of the retiree life insurance. Insurance coverage amounts are reduced at age 65 and again at age 70 according to the OGB plan provisions.

Contribution Rates

Employees do not contribute to their post employment benefits costs until they become retirees and begin receiving those benefits. The plan provisions and contribution rates are contained in the official plan documents of the OGB.

Funding Policy

Until 2007, the West Authority recognized the cost of providing post-employment medical and life benefits (the West Authority's portion of the retiree medical and life benefit premiums) as an expense when the benefit premiums were due and thus financed the cost of the post-employment benefits on a pay-as-you-go basis. Effective with the fiscal year beginning July 1, 2007, the West Authority implemented Government Accounting Standards Board Statement No. 45, *Accounting and Financial Reporting by Employers for Post-employment Benefits Other Than Pensions* (GASB 45). The funding policy is not to fund the ARC except to the extent of the current year's retiree funding costs.

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY – WEST
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2009**

NOTE H - OTHER INFORMATION (CONTINUED)

In 2008, the West Authority's portion of health care funding cost for retired employees totaled \$82,746, and the life insurance totaled \$1,376. These amounts were applied toward the Net OPEB Benefit Obligation as shown in the following table.

Annual Required Contribution

The West Authority's Annual Required Contribution (ARC) is an amount actuarially determined in accordance with GASB 45. The Annual Required Contribution (ARC) is the sum of the Normal Cost plus the contribution to amortize the Actuarial Accrued Liability (AAL). A level dollar, open amortization period of 30 years (the maximum amortization period allowed by GASB 43/45) has been used for the post-employment benefits. The total ARC for the fiscal year beginning July 1, 2008 is \$198,958 for medical, and \$10,029 for life, as set forth below:

	<u>Medical</u>	<u>Life</u>
Normal Cost	\$ 60,883	\$ 3,229
30-year UAL Amortization Amount	138,075	6,800
	<u>\$ 198,958</u>	<u>\$ 10,029</u>

Net Post-employment Benefit Obligation (Asset)

The table below shows the West Authority's Net Other Post-employment Benefit (OPEB) Obligation (Asset) for fiscal year ending June 30, 2009:

	<u>Medical</u>	<u>Life</u>
Beginning Net OPEB Obligation (Asset) 7/1/2008:	\$ 116,212	\$ 8,653
Annual Required Contribution	198,958	10,029
Add: Interest on Net OPEB Obligation (Asset)	4,648	346
Less: ARC Adjustment	<u>(6,721)</u>	<u>(500)</u>
OPEB Cost	196,885	9,875
Less: Contributions	-	-
Less: Current Year Retiree Premiums	(82,746)	(1,376)
Change in Net OPEB Obligation	<u>114,139</u>	<u>8,499</u>
Ending Net OPEB Obligation (Asset) at 6/30/2009:	<u>\$ 230,351</u>	<u>\$ 17,152</u>

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY – WEST
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2009**

NOTE H - OTHER INFORMATION (CONTINUED)

The following table shows the West Authority's annual post employment benefits (PEB) cost, percentage of the cost contributed, and the net unfunded post employment benefits (PEB) liability (asset):

Post Employment Benefit	Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual Cost Contributed	Net PEB Liability (Asset)
Medical	6/30/2009	\$ 196,885	42.03%	\$ 230,351
Life	6/30/2009	\$ 9,875	13.93%	\$ 17,152

Funded Status and Funding Progress

In the fiscal year ending June 30, 2009, the West Authority made no contributions to its post employment benefits plan. The plan was not funded at all, has no assets, and hence has a funded ratio of zero. As of July 1, 2008, the first and most recent actuarial valuation, the Actuarial Accrued Liability (AAL) was \$2,387,622 (medical) and \$117,569 (life), which is defined as that portion, as determined by a particular actuarial cost method (the West Authority uses the Unit Credit Cost Method), of the actuarial present value of post employment plan benefits and expenses which is not provided by normal cost.

Since the plan was not funded in fiscal year 2008/2009, the entire actuarial accrued liability of \$2,387,622 (medical) and \$117,569 (life) was unfunded.

	Medical	Life
Actuarial Accrued Liability (AAL)	\$ 2,387,622	\$ 117,569
Actuarial Value of Plan Assets	-	-
Unfunded Actuarial Accrued Liability (UAAL)	<u>\$ 2,387,622</u>	<u>\$ 117,569</u>
Funded Ratio (Actuarial Value of Assets/AAL)	0.0%	0.0%
Covered Payroll (active plan members)	<u>\$ 1,821,339</u>	<u>\$ 1,821,339</u>
UAAL as a percentage of covered payroll	131.1%	6.5%

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY – WEST
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2009**

NOTE H - OTHER INFORMATION (CONTINUED)

Actuarial Methods and Assumptions

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. The actuarial valuation for post employment benefits includes estimates and assumptions regarding (1) turnover rate; (2) retirement rate; (3) health care cost trend rate; (4) mortality rate; (5) discount rate (investment return assumption); and (6) the period to which the costs apply (past, current, or future years of service by employees). Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

The actuarial calculations are based on the types of benefits provided under the terms of the substantive plan (as understood by the West Authority and its employee plan members) at the time of the valuation and on the pattern of sharing costs between the West Authority and its plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the West Authority and plan members in the future. Consistent with the long-term perspective of actuarial calculations, the actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial liabilities and the actuarial value of assets.

Actuarial Cost Method

The ARC is determined using the Unit Credit Cost Method. The employer portion of the cost for retiree medical care in each future year is determined by projecting the current cost levels using the healthcare cost trend rate and discounting this projected amount to the valuation date using the other described pertinent actuarial assumptions, including the investment return assumption (discount rate), mortality, and turnover.

Actuarial Value of Plan Assets

Since this is the first actuarial valuation, there are not any assets. It is anticipated that in future valuations, a smoothed market value consistent with Actuarial Standards Board ASOP 6, as provided in paragraph number 125 of GASB Statement 45.

Turnover Rate

An age-related turnover scale based on actual experience as described by administrative staff has been used. The rates, when applied to the active employee census, produce an annual turnover of approximately 10%. The rates for each age are below:

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY – WEST
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2009**

NOTE H - OTHER INFORMATION (CONTINUED)

<u>Age</u>	<u>Percent Turnover</u>
18 - 25	20.0%
26 - 40	14.0%
41 - 54	9.0%
55+	6.0%

Post employment Benefit Plan Eligibility Requirements

It is assumed that entitlement to benefits will commence five years after earliest eligibility to enter the DROP as described on the first page of this letter under the heading "Plan Terms". This consists of a three year DROP period plus an additional two year delay. Medical benefits are provided to employees upon actual retirement. Employees are covered by the Louisiana State Employees' Retirement System (LASERS), whose retirement eligibility (DROP entry) provisions as follows: 30 years of service at any age; age 55 and 25 years of service; or, age 60 and 10 years of service. Entitlement to benefits continues through Medicare to death.

Investment Return Assumption (Discount Rate)

GASB Statement 45 states that the investment return assumption should be the estimated long-term investment yield on the investments that are expected to be used to finance the payment of benefits (that is, for a plan which is funded). Based on the assumption that the ARC will be funded, a 4% annual investment return has been used in this valuation. This is a conservative estimate of the expected long term return of a balanced and conservative investment portfolio under professional management.

Health Care Cost Trend Rate

The expected rate of increase in medical cost is based on projections performed by the Office of the Actuary at the Centers for Medicare & Medicaid Services as published in National Health Care Expenditures Projections: 2003 to 2013, Table 3: National Health Expenditures, Aggregate and per Capita Amounts, Percent Distribution and Average Annual Percent Change by Source of Funds: Selected Calendar Years 1990-2013, released in January, 2004 by the Health Care Financing Administration (www.cms.hhs.gov). "State and Local" rates for 2008 through 2013 from this report were used, with rates beyond 2013 graduated down to an ultimate annual rate of 5.0% for 2016 and later.

Zero trend has been assumed for valuing life insurance.

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY – WEST
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2009**

NOTE H - OTHER INFORMATION (CONTINUED)

Mortality Rate

The 1994 Group Annuity Reserving (94GAR) table, projected to 2002, based on a fixed blend of 50% of the unloaded male mortality rate and 50% of the unloaded female mortality rates, was used. This is the mortality table which the Internal Revenue Service requires to be used in determining the value of accrued benefits in defined benefit pension plans. Since GASB 45 requires the use of "unblended" rates, we have used the 94GAR mortality table described above to "unblend" the rates so as to reproduce the composite blended rate overall as the rate structure to calculate the actuarial valuation results for life insurance.

Method of Determining Value of Benefits

The "value of benefits" has been assumed to be the portion of the premium after retirement date expected to be paid by the West Authority for each retiree and has been used as the basis for calculating the actuarial present value of OPEB benefits to be paid. The OGB medical rates provided are "unblended" rates for active and retired as required by GASB 45 for valuation purposes.

4. Economic Dependence

As discussed in Note D.8 above, the West Authority's primary source of revenue is a state appropriation. These revenues accounted for 97.6 percent of the revenues of the West Authority's General Fund during 2009. The appropriation is part of the State's budget and is to be renewed each year as part of the State's budget process.

5. Major Events – Hurricanes Gustav and Ike

In August 2008, Hurricane Gustav threatened the area and caused the evacuation of Metropolitan New Orleans area, which includes the area governed by the West Authority. While some flooding and wind damage occurred, no major damage was seen by the West Authority to any of its assets, including levees. Some emergency work was performed in preparation for the storm. To date, \$390,173 has been reimbursed by FEMA and is recorded as revenue in the WJLD Emergency Special Revenue Fund.

In September 2008, Hurricane Ike passed just off the coastline of the State and hit Texas. While the area was spared a direct hit, storm surge from the hurricane did cause some inland tidal flooding, especially in the southern end of the parish. Again, some emergency work was performed in preparation for the storm. Claims totaling \$216,980 have been filed with FEMA. This amount has not yet been received and is recorded as a receivable at year end in the WJLD Emergency Special Revenue Fund.

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INDIVIDUAL FUND STATEMENTS AND SCHEDULES

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST
STATE OF LOUISIANA**

**GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009**

	BUDGETED AMOUNTS		BUDGETARY ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
EXPENDITURES				
CURRENT				
PUBLIC WORKS				
EXECUTIVE				
Commissioners				
Per diem	\$ 70,000	\$ 42,150	\$ 42,150	\$ -
Travel	19,200	15,000	15,363	(363)
Convention/workshops	3,600	-	-	-
Payroll taxes	-	112	135	(23)
Official journal	10,000	9,839	9,839	-
Dues and subscriptions	5,000	3,580	3,431	149
Miscellaneous	51,000	-	-	-
Professional services				
Legal	12,000	34,600	34,567	33
Accounting and auditing	22,000	875	875	-
Computer	30,000	32,800	32,781	19
Other	25,000	54,500	54,893	(393)
Office rent	24,000	-	-	-
Total Executive	<u>271,800</u>	<u>193,456</u>	<u>194,034</u>	<u>(578)</u>
ADMINISTRATIVE				
Salaries	162,000	85,300	85,321	(21)
Health insurance	-	4,825	4,795	30
Retirement	-	1,200	1,160	40
Deferred compensation match	-	816	884	(68)
Payroll taxes	4,000	3,620	3,017	603
Travel	-	3,896	4,244	(348)
Postage	-	171	174	(3)
Office supplies	-	6,700	6,753	(53)
Rent	-	-	-	-
Repairs and maintenance				
Buildings	-	-	-	-
Equipment	-	2,524	2,487	37
Telephone	-	8,938	9,040	(102)
Internet	-	16	1,539	(1,543)
Property and equipment rental	-	449	554	(105)
Total Administrative	<u>166,000</u>	<u>118,455</u>	<u>119,988</u>	<u>(1,533)</u>
MAINTENANCE				
Utilities	-	1,160	1,368	(208)
Total Maintenance	<u>-</u>	<u>1,160</u>	<u>1,368</u>	<u>(208)</u>
NON-DEPARTMENTAL				
Insurance premiums	45,000	15,762	15,651	111
Total Non-Departmental	<u>45,000</u>	<u>15,762</u>	<u>15,651</u>	<u>111</u>
DEBT SERVICE				
Principal	-	-	-	-
Interest	-	-	-	-
CAPITAL OUTLAY				
Property, plant and equipment	19,000	35,200	35,162	38
Levee construction projects	-	-	-	-
	<u>19,000</u>	<u>35,200</u>	<u>35,162</u>	<u>38</u>
TOTAL EXPENDITURES	<u>\$ 501,800</u>	<u>\$ 364,033</u>	<u>\$ 366,203</u>	<u>\$ (2,170)</u>

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST
STATE OF LOUISIANA**

**WEST JEFFERSON LEVEE DISTRICT
OPERATIONS AND MAINTENANCE SPECIAL REVENUE FUND
SCHEDULE OF REVENUES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009**

	<u>BUDGETED AMOUNTS</u>		<u>BUDGETARY ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
REVENUES				
Taxes				
Property Taxes	<u>\$ 4,195,184</u>	<u>\$ 4,025,745</u>	<u>\$ 4,425,741</u>	<u>\$ 399,996</u>
Intergovernmental				
State Revenue Sharing	450,193	461,000	461,053	53
SELFPA-W Admin Fee	-	-	-	-
	<u>450,193</u>	<u>461,000</u>	<u>461,053</u>	<u>53</u>
Service charges, fees and commissions				
Oil & gas royalties	303,790	121,759	122,637	878
Permit fees	513	499	500	1
	<u>304,303</u>	<u>122,258</u>	<u>123,137</u>	<u>879</u>
Fines and forfeitures				
Interest				
Interest - cash accounts	-	-	-	-
Interest - investments	132,618	40,000	40,276	276
	<u>132,618</u>	<u>40,000</u>	<u>40,276</u>	<u>276</u>
Miscellaneous	-	7,623	7,624	1
TOTAL REVENUES	<u>\$ 5,082,298</u>	<u>\$ 4,656,626</u>	<u>\$ 5,057,831</u>	<u>\$ 401,205</u>

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST
STATE OF LOUISIANA**

**WEST JEFFERSON LEVEE DISTRICT
OPERATIONS AND MAINTENANCE SPECIAL REVENUE FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009**

	BUDGETED AMOUNTS		BUDGETARY ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
EXPENDITURES				
CURRENT				
PUBLIC WORKS				
EXECUTIVE				
Commissioners				
Per diem	\$ -	\$ -	\$ -	\$ -
Life insurance	-	-	-	-
Travel	-	-	-	-
Convention/workshops	-	-	-	-
Salaries - president	-	-	-	-
Official journal	12,249	1,987	1,987	-
Dues and subscriptions	-	2,585	2,478	107
Miscellaneous	-	-	323	(323)
Professional services	-	-	-	-
Legal	-	17,669	17,669	-
Accounting and auditing	-	8,250	8,250	-
Computer	88,587	113,000	113,021	(21)
Other	-	156,000	156,883	(883)
Total Executive	100,836	299,491	300,611	(1,120)
ADMINISTRATIVE				
Salaries	321,394	429,816	429,875	(59)
Health insurance	35,597	109,600	109,119	481
Retirement	88,911	77,100	77,155	(55)
Deferred compensation match	11,022	7,300	6,504	796
Payroll taxes	7,646	8,000	7,213	787
Worker's compensation	4,010	16,007	16,007	-
Unemployment insurance	-	-	-	-
Uniforms	-	-	-	-
Civil service fees	3,496	4,600	4,566	34
Employee physicals and testing	-	-	-	-
Travel	6,296	3,000	2,978	22
Convention/workshops	937	7,423	7,423	-
Printing	-	-	-	-
Postage	2,562	3,200	3,287	(87)
Office supplies	22,272	37,300	37,333	(33)
Janitorial supplies	-	-	-	-
Bank charges	408	-	-	-
Repairs and maintenance	-	-	-	-
Buildings	49,821	98,000	97,650	350
Equipment	13,293	34,000	33,993	7
Telephone	20,262	25,233	25,554	(321)
Internet	31,307	23,132	23,132	-
Property and equipment rental	11,680	10,400	10,465	(65)
Gas and oil	-	-	-	-
Total Administrative	630,914	894,111	892,254	1,857
MAINTENANCE				
Salaries	2,058,410	1,091,935	1,091,944	(9)
Health insurance	277,493	292,179	292,002	177
Retirement	111,156	176,500	176,568	(68)
Deferred compensation match	43,986	19,610	19,697	(87)
Payroll taxes	453	15,500	16,257	(757)
Worker's compensation	41,302	31,700	31,772	(72)
Unemployment insurance	-	-	-	-
Uniforms	8,452	12,173	12,635	(462)
Employee physicals and testing	4,131	8,807	8,440	367
Travel	-	950	910	40
Repairs and maintenance	-	-	-	-
Buildings	23,399	59,150	59,144	6
Equipment	-	-	-	-
Insurance - vehicles	43,000	24,552	24,552	-
Utilities	43,115	40,053	40,752	(699)
Telephone	-	-	-	-

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST
STATE OF LOUISIANA**

**WEST JEFFERSON LEVEE DISTRICT
OPERATIONS AND MAINTENANCE SPECIAL REVENUE FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009**

	BUDGETED AMOUNTS		BUDGETARY ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
Property and equipment rental	152,823	33,600	33,605	(5)
Parts and supplies	109,153	137,557	137,402	155
Outside repairs	142,631	117,927	118,487	(560)
Small tools and equipment	4,959	7,359	7,524	(165)
Gas and oil	111,190	101,947	101,791	156
Vehicle supplies	-	-	-	-
Tires	11,890	16,625	16,625	-
Levee supplies	124,655	19,937	19,168	769
General supplies	66,335	66,000	65,884	116
Total Maintenance	<u>3,378,333</u>	<u>2,274,061</u>	<u>2,275,159</u>	<u>(1,098)</u>
NON-DEPARTMENTAL				
Insurance premiums	248,689	152,140	151,375	765
Claims and judgments	50,000	-	-	-
Ad valorem tax withholdings and commissions				-
Assessor	84,657	53,677	54,764	(1,087)
Sheriff	2,620	2,159	3,830	(1,671)
State retirement systems	120,332	152,999	153,000	(1)
Total Non-Departmental	<u>506,298</u>	<u>360,975</u>	<u>362,969</u>	<u>(1,994)</u>
DEBT SERVICE				
Principal	400,000	400,000	400,000	-
Interest	120,000	82,000	82,000	-
	<u>520,000</u>	<u>482,000</u>	<u>482,000</u>	<u>-</u>
CAPITAL OUTLAY				
Property, plant and equipment	325,000	788,500	788,663	(163)
Levee construction projects	-	-	-	-
	<u>325,000</u>	<u>788,500</u>	<u>788,663</u>	<u>(163)</u>
TOTAL EXPENDITURES	<u>\$ 5,461,581</u>	<u>\$ 5,099,138</u>	<u>\$ 5,101,656</u>	<u>\$ (2,518)</u>

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST
STATE OF LOUISIANA**

**ALGIERS LEVEE DISTRICT
OPERATIONS AND MAINTENANCE SPECIAL REVENUE FUND
SCHEDULE OF REVENUES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009**

	<u>BUDGETED AMOUNTS</u>		<u>BUDGETARY ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
REVENUES				
Taxes				
Property Taxes	<u>\$ 766,050</u>	<u>\$ 1,100,287</u>	<u>\$ 1,100,221</u>	<u>\$ (66)</u>
Intergovernmental				
State Revenue Sharing	<u>82,990</u>	<u>41,500</u>	<u>41,617</u>	<u>117</u>
	<u>82,990</u>	<u>41,500</u>	<u>41,617</u>	<u>117</u>
Service charges, fees and commissions				
Oil & gas royalties	<u>228,600</u>	<u>-</u>	<u>-</u>	<u>-</u>
Permit fees	<u>-</u>	<u>-</u>	<u>250</u>	<u>250</u>
	<u>228,600</u>	<u>-</u>	<u>250</u>	<u>250</u>
Interest				
Interest - cash accounts	<u>2,000</u>	<u>43,700</u>	<u>43,678</u>	<u>(22)</u>
	<u>2,000</u>	<u>43,700</u>	<u>43,678</u>	<u>(22)</u>
Miscellaneous	<u>-</u>	<u>-</u>	<u>4</u>	<u>4</u>
TOTAL REVENUES	<u>\$ 1,079,640</u>	<u>\$ 1,185,487</u>	<u>\$ 1,185,770</u>	<u>\$ 283</u>

SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST
STATE OF LOUISIANA

ALGIERS LEVEE DISTRICT
OPERATIONS AND MAINTENANCE SPECIAL REVENUE FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

	BUDGETED AMOUNTS		BUDGETARY ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
EXPENDITURES				
CURRENT				
PUBLIC WORKS				
EXECUTIVE				
Official journal	\$ -	\$ 478	\$ 478	\$ -
Dues and subscriptions	-	728	698	30
Miscellaneous	137,160	-	-	-
Professional services				
Legal	57,912	20,431	20,431	-
Accounting and auditing	-	3,375	3,375	-
Computer	-	35,000	35,164	(164)
Other	-	9,400	9,362	38
Total Executive	195,072	69,412	69,508	(96)
ADMINISTRATIVE				
Printing	-	-	-	-
Postage	-	661	672	(11)
Office supplies	-	3,102	5,848	(2,746)
Bank charges	-	-	(10)	10
Repairs and maintenance				
Buildings	-	-	-	-
Equipment	-	10,764	10,578	186
Telephone	-	5,141	5,157	(16)
Internet	-	6,014	6,014	-
Property and equipment rental	-	1,732	2,135	(403)
Total Administrative	-	27,414	30,394	(2,980)
MAINTENANCE				
Salaries	-	-	-	-
Retirement	-	-	-	-
Payroll taxes	-	-	-	-
Repairs and maintenance				
Buildings	20,000	-	39	(39)
Equipment	-	-	-	-
Insurance - vehicles	-	-	-	-
Utilities	5,000	6,439	7,027	(588)
Property and equipment rental	-	16,500	16,350	150
Outside repairs and maintenance	-	-	-	-
Levee supplies	-	13,500	12,992	508
General supplies	445,416	8,160	8,160	-
Total Maintenance	470,416	44,599	44,568	31
NON-DEPARTMENTAL				
Insurance premiums	30,000	60,300	60,368	(68)
Total Non-Departmental	30,000	60,300	60,368	(68)
CAPITAL OUTLAY				
Property, plant and equipment	-	3,600	-	3,600
Levee construction projects	-	-	-	-
	-	3,600	-	3,600
TOTAL EXPENDITURES	\$ 695,488	\$ 205,325	\$ 204,838	\$ 487

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**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST
STATE OF LOUISIANA**

**WEST JEFFERSON LEVEE DISTRICT
WESTBANK HURRICANE PROTECTION LEVEE CAPITAL PROJECT FUND
SCHEDULE OF EXPENDITURES BY REACH
For The Year Ended June 30, 2009**

East of Harvey (Reach #500)	
Board Attorney	\$ -
Other attorneys	8,538
Total East of Harvey	<u>8,538</u>
Hero to Belle Chasse W/S (Reach #515)	
Board Attorney	-
Total Hero to Belle Chasse W/S	<u>-</u>
Hero to Cousins Pump Station E/S (Reach #520)	
Board Attorney	-
Other attorneys	-
Other consultants	1,500
Total Hero to Belle Chasse W/S	<u>1,500</u>
Walker Road Borrow Pit (Reach #531)	
Other attorneys	1,200
Total Sector Gate Complex	<u>1,200</u>
Cousins Pump Station (Reach #535)	
Engineering	-
Total Cousins Pump Station	<u>-</u>
Cousins Pump Station/Culvert (Reach #550)	
Other attorneys	-
Engineering	-
Levee supplies	-
Equipment rental	-
Total Cousins Pump Station/Culvert	<u>-</u>
Cousins Pump Station/Culvert #2 (Reach 555)	
Board Attorney	2,160
Other attorneys	1,280
Engineering	44,065
Construction costs	963,672
Levee supplies	20,082
Equipment rental	-
Total Cousins Pump Station/Culvert	<u>1,031,259</u>
Cousins Pump Station/Culvert #3 (Reach 560)	
Board Attorney	-
Other attorneys	-
Engineering	-
Equipment rental	-
Total Cousins Pump Station/Culvert	<u>-</u>
GIWW Western Closure (Reach #565)	
Board Attorney	960
Total Cousins Pump Station/Culvert	<u>960</u>

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST
STATE OF LOUISIANA**

**WEST JEFFERSON LEVEE DISTRICT
WESTBANK HURRICANE PROTECTION LEVEE CAPITAL PROJECT FUND
SCHEDULE OF EXPENDITURES BY REACH
For The Year Ended June 30, 2009**

Hero Pump Station to Algiers Canal (Reach #570)	
Other attorneys	-
Total Hero Pump Station to Algiers Canal	-
Hero Canal (Reach #580)	
Other attorneys	-
Abstract and title fees	4,650
Total Hero Canal	4,650
Belle Chasse Burrow Pit (Reach #590)	
Other attorneys	2,160
Total Belle Chasse Burrow Pit	2,160
GIWW Western Tie-in Closure (Reach # 595)	
Other consultants	18,308
Total Hero Canal	18,308
Cataouatche Levee (Reach #800)	
Board Attorney	280
Other attorneys	120
Abstract and title fees	525
Total Cataouatche Levee	925
Churhill Farms Borrow Pit (Reach #801)	
Other consultants	488,019
Total Cataouatche Levee	488,019
Westbank Borrow Site F (Reach # 802)	
Appraisal fees	7,840
Total Cataouatche Levee	7,840
Bayou Segnette P/S to Company Canal (Reach #805)	
Equipment rental	-
Total Bayou Segnette P/S to Company Canal	-
Bayou Segnette Floodwall to Lake Cataouatche Pump Sta (Reach #815)	
Board Attorney	4,160
Other attorneys	80
Total Bayou Segnette Floodwall	4,240
Lake Cataouatche Pump Station to Hwy (Reach #820)	
Board Attorney	-
Other attorneys	-
Land	8,474
Total Project Management	8,474

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST
STATE OF LOUISIANA**

**WEST JEFFERSON LEVEE DISTRICT
WESTBANK HURRICANE PROTECTION LEVEE CAPITAL PROJECT FUND
SCHEDULE OF EXPENDITURES BY REACH
For The Year Ended June 30, 2009**

Project Management (Reach #900)	
Board Attorney	5,040
Other attorneys	14,800
Other consultants	59,026
Bank charges	3,000
Total Project Management	<u>81,866</u>
Old Westwego to New Westwego (Reach #905)	
Board Attorney	-
Total Old Westwego to New Westwego	<u>-</u>
Ames Pump to Highway 45 (Reach #917)	
Board Attorney	-
Total Ames Pump to Highway 45	<u>-</u>
Highway 45 (Reach #920)	
Board Attorney	-
Total Highway 45	<u>-</u>
V-Line West (Reach #925)	
Board Attorney	-
Other attorneys	120
Total V-Line West	<u>120</u>
V-Line East (Reach #935)	
Other attorneys	-
Total V-Line East	<u>-</u>
Estelle Pump Station to Cousins (Reach #940)	
Board Attorney	-
Other attorneys	120
Total Estelle Pump Station to Cousins	<u>120</u>
Harvey Canal Floodwall (Reach #945)	
Other attorneys	-
Total Reach	<u>-</u>
Davis Pond Mitigation (Reach #950)	
Board Attorney	-
Total Davis Pond Mitigation	<u>-</u>
TOTAL EXPENDITURES	<u>\$ 1,660,179</u>

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SUPPLEMENTARY INFORMATION

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST
STATE OF LOUISIANA**

**SCHEDULE OF COMMISSIONERS' PER DIEMS
For The Year Ended June 30, 2009**

<u>NAME</u>		<u>NUMBER OF REGULAR MEETINGS</u>	<u>PER DIEM PAID</u>
David Bindewald Sr.	(1)	4	\$ 4,000
Robert Howson	(1)	1	158
Kerwin Julien Sr.	(1)	4	664
Pat Ketcham		19	3,610
Susan MacLay		23	9,784
Michael Merritt		38	6,900
Mark Morgan		27	4,938
Gerard Viera		31	5,890
Joannes Westerink		6	1,076
Wesley Wilkinson		27	5,130
		<u>180</u>	<u>\$ 42,150</u>

(1) - stepped down from board in October 2008

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST
STATE OF LOUISIANA**

**SCHEDULE OF STATE FUNDING
For The Year Ended June 30, 2009**

<u>DESCRIPTION OF FUNDING</u>	<u>AMOUNT</u>
General Revenues:	
State Revenue Sharing	
West Jefferson Levee District	\$ 461,053
Algiers Levee District	41,617
	<u>502,670</u>
State Appropriation - Dept of Natural Resources - SELFPA-W funding	<u>500,000</u>
Capital Grants:	
Statewide Flood Control - #576-26-04 (WB Hurricane Protection Levee)	-
Statewide Flood Control - #576-26-003 (Lafitte Tidal Levee)	- (1)
Coastal Protection and Restoration Fund - DOTD State Project No. 579-26-004 (Harvey Canal Interim Protection Phase I)	-
Coastal Protection and Restoration Fund - DOTD State Project No. 579-26-004 (Harvey Canal Interim Protection Phase II)	1,176,258
Coastal Protection and Restoration Fund - DOTD State Project No. 579-26-004 (Harvey Canal Interim Protection - Borrow Pit Investigation)	544,491
State Capital Outlay - DOTD State Project No. 750-99-0102 (WB Hurricane Protection Levee)	-
	<u>1,720,749</u>
TOTAL	<u>\$ 2,723,419</u>

- (1) For 2009, this project was taken over by the Lafitte Area Independent Levee District. Because the project had already begun, the State continued to recognize the WJLD O&M Fund as the local sponsor. Lafitte would incur the expense and then send a reimbursement request to WJLD. WJLD would file the claim with the State and then remit the funds to Lafitte upon receipt. For Financial Reporting purposes, these "pass-throughs" were not recognized by the WJLD O&M Fund. In total, the WJLD received \$894,895 under project code 576-26-003 - Lafitte Tidal Protection - Ph 2. This same amount was passed-through to the Lafitte Area Levee District.

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST
STATE OF LOUISIANA**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Year Ended June 30, 2009**

FEDERAL AGENCY/ PROGRAM TITLE	CFDA NUMBER	GRANT/ PROJECT NUMBER	GRANT PERIOD	
			FROM	TO
INDIRECT ASSISTANCE				
DEPARTMENT OF HOMELAND SECURITY				
Passed through State Department of Military Affairs:				
Emergency Disaster - Public Assistance Grants	97.036	FEMA 1548-DR-LA Ivan	N/A	N/A
Emergency Disaster - Public Assistance Grants	97.036	FEMA 1603-DR-LA Katrina	N/A	N/A
Emergency Disaster - Public Assistance Grants	97.036	FEMA 1607-DR-LA Rita	N/A	N/A
Emergency Disaster - Public Assistance Grants	97.036	M FEMA 1786-DR-LA Gustav	N/A	N/A
Emergency Disaster - Public Assistance Grants	97.036	M FEMA 1792-DR-LA Ike	N/A	N/A
TOTAL FEDERAL ASSISTANCE				

(1) These amounts are estimated as FEMA is still reviewing the District's request for assistance.

NOTES TO SCHEDULE:

- A. This schedule is prepared on the full accrual (GAAP) basis of accounting.
- B. All revenues and expenditures recognized by the District during its fiscal year are reflected on this schedule.
- M = Major Program for Single Audit purposes

<u>TOTAL GRANT AWARD</u>		<u>ACCRUED (DEFERRED) REVENUE JUNE 30, 2008</u>	<u>CASH/ ASSISTANCE RECEIVED DURING YEAR</u>	<u>ACCRUED (DEFERRED) REVENUE JUNE 30, 2009</u>	<u>TOTAL REVENUE RECOGNIZED</u>	<u>TOTAL FEDERAL EXPENDITURES</u>
\$ -	(1)	\$ -	\$ -	\$ -	\$ -	\$ -
-	(1)	-	-	-	-	-
-	(1)	-	-	-	-	-
390,173	(1)	-	390,173	-	390,173	390,173
216,980	(1)	-	-	216,980	216,980	216,980
		<u>-</u>	<u>390,173</u>	<u>216,980</u>	<u>607,153</u>	<u>607,153</u>
		<u>\$ -</u>	<u>\$ 390,173</u>	<u>\$ 216,980</u>	<u>\$ 607,153</u>	<u>\$ 607,153</u>

Southeast Louisiana Flood Protection Authority - West
 (Agency Name)
STATE OF LOUISIANA
 Annual Financial Statements
 June 30, 2009

C O N T E N T S

TRANSMITTAL LETTER
 AFFIDAVIT

Statements

MD&A

Balance Sheet	A
Statement of Revenues, Expenses, and Changes in Fund Net Assets	B
Statement of Activities (Additional information in Appendix B)	C
Statement of Cash Flows	D

Notes to the Financial Statements

A.	Summary of Significant Accounting Policies
B.	Budgetary Accounting
C.	Deposits with Financial Institutions and Investments (See Appendix C)
D.	Capital Assets – Including Capital Lease Assets
E.	Inventories
F.	Restricted Assets
G.	Leave
H.	Retirement System
I.	Other Postemployment Benefits (Additional information in Appendix D)
J.	Leases
K.	Long-Term Liabilities
L.	Contingent Liabilities
M.	Related Party Transactions
N.	Accounting Changes
O.	In-Kind Contributions
P.	Defeased Issues
Q.	Revenues or Receivables – Pledged or Sold (GASB 48) (See Appendix E)
R.	Government-Mandated Nonexchange Transactions (Grants)
S.	Violations of Finance-Related Legal or Contractual Provisions
T.	Short-Term Debt
U.	Disaggregation of Receivable Balances
V.	Disaggregation of Payable Balances
W.	Subsequent Events
X.	Segment Information
Y.	Due to/Due from and Transfers
Z.	Liabilities Payable from Restricted Assets
AA.	Prior-Year Restatement of Net Assets
BB.	Net Assets Restricted by Enabling Legislation (See Appendix F)
CC.	Impairment of Capital Assets (See Appendix G)
DD.	Employee Termination Benefits
EE.	Pollution Remediation Obligations

Schedules

- 1** **Schedule of Per Diem Paid to Board Members**
- 2** **Not Applicable**
- 3** **Schedules of Long-Term Debt**
- 4** **Schedules of Long-Term Debt Amortization**
- 5** **Schedule of Current Year Revenue and Expenses – Budgetary Comparison of Current Appropriation – Non-GAAP Basis (applicable only for entities whose budget is appropriated by the legislature)**
- 15** **Schedule of Comparison Figures and Instructions**
- 16** **Schedule of Cooperative Endeavors (see Appendix H)**

Appendix

- A** **General Instructions for Preparation of the Consolidated BTA AFR**
- B** **Instructions for the Simplified Statement of Activities**
- C** **Information for Note C – Deposits with Financial Institutions & Investments**
- D** **Information for Note I – Other Postemployment Benefits**
- E** **Information for Note Q – Revenues or Receivables – Pledged or Sold (GASB 48)**
- F** **Information for Note BB – Net Assets Restricted by Enabling Legislation**
- G** **Information for Note CC – Impairment of Capital Assets**
- H** **Information for Schedule 16 – Cooperative Endeavors**

STATE OF LOUISIANA
Annual Financial Statements
Fiscal Year Ending June 30, 2009

Southeast Louisiana Flood Protection Authority – West
7001 River Road
Marrero, LA 70072
(Agency Name & Mailing Address)

Division of Administration
Office of Statewide Reporting
and Accounting Policy
P. O. Box 94095
Baton Rouge, Louisiana 70804-9095

Legislative Auditor
P. O. Box 94397
Baton Rouge, Louisiana 70804-9397

Physical Address:
1201 N. Third Street
Claiborne Building, 6th Floor, Suite 6-130
Baton Rouge, Louisiana 70802

Physical Address:
1600 N. Third Street
Baton Rouge, Louisiana 70802

AFFIDAVIT

Personally came and appeared before the undersigned authority, Susan Maclay (Name) President (Title) of Southeast Louisiana Flood Protection Authority – West (the “West Authority”) (Agency) who duly sworn, deposes and says, that the financial statements herewith given present fairly the financial position of the West Authority (agency) at June 30, 2009 and the results of operations for the year then ended in accordance with policies and practices established by the Division of Administration or in accordance with Generally Accepted Accounting Principles as prescribed by the Governmental Accounting Standards Board. Sworn and subscribed before me, this 31st day of August, 2009.

Signature of Agency Official

NOTARY PUBLIC

Prepared by: Paul C. Rivera, CPA

Title: Owner

Telephone No.: 504-371-4390

Date: August 31, 2009

Email Address: riverapcpa@cox.net

STATE OF LOUISIANA
Southeast Louisiana Flood Protection Authority - West (BTA)
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2009

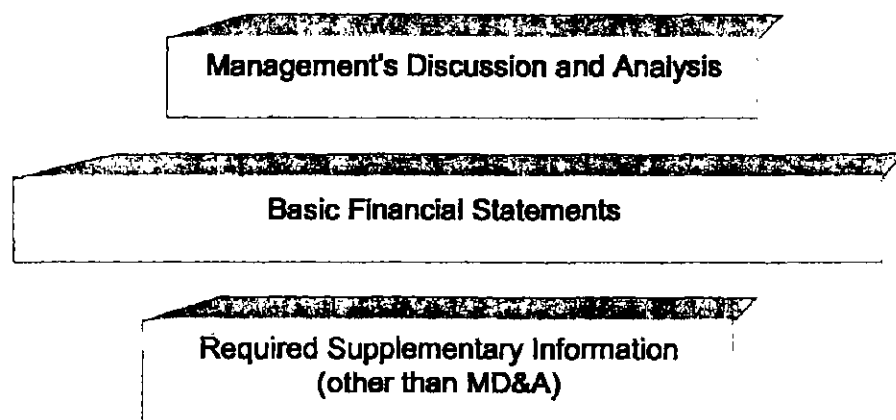
Management's Discussion and Analysis of the Southeast Louisiana Flood Protection Authority – West (the "West Authority")'s (BTA) financial performance presents a narrative overview and analysis of the West Authority's (BTA) financial activities for the year ended June 30, 2009. This document focuses on the current year's activities, resulting changes, and currently known facts in comparison with the prior year's information. Please read this document in conjunction with the additional information contained in the transmittal letter presented on pages ____ - ____ and the _____'s (BTA) financial statements, which begin on page ____.

FINANCIAL HIGHLIGHTS

- ★ The West Authority's (BTA) assets exceeded its liabilities at the close of fiscal year 2009 by \$61,467, which represents a 4.1% increase from last fiscal year.
- ★ The West Authority's (BTA) revenue decreased \$220 (or 65%) and the net results from activities increased by \$_____ (or __%).

OVERVIEW OF THE FINANCIAL STATEMENTS

The following graphic illustrates the minimum requirements for Special Purpose Governments Engaged in Business-Type Activities established by Governmental Accounting Standards Board Statement 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*.



These financial statements consist of three sections - Management's Discussion and Analysis (this section), the Basic Financial Statements (including the notes to the financial statements), and Required Supplementary Information.

Basic Financial Statements

The basic financial statements present information for the West Authority (BTA) as a whole, in a format designed to make the statements easier for the reader to understand. The statements in this section include the Balance Sheet; the Statement of Revenues, Expenses, and Changes in Fund Net Assets; and the Statement of Cash Flows.

The Balance Sheet (pages ____ - __) presents the current and long-term portions of assets and liabilities separately. The difference between total assets and total liabilities is net assets and may provide a useful indicator of whether the financial position of the West Authority (BTA) is improving or deteriorating.

STATE OF LOUISIANA
Southeast Louisiana Flood Protection Authority - West (BTA)
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2009

The Statement of Revenues, Expenses, and Changes in Fund Net Assets (pages __ - __) presents information showing how the West Authority's (BTA) assets changed as a result of current year operations. Regardless of when cash is affected, all changes in net assets are reported when the underlying transactions occur. As a result, there are transactions included that will not affect cash until future fiscal periods.

The Statement of Cash Flows (pages __ - __) presents information showing how the West Authority's (BTA) cash changed as a result of current year operations. The cash flow statement is prepared using the direct method and includes the reconciliation of operating income(loss) to net cash provided(used) by operating activities (indirect method) as required by GASB 34.

FINANCIAL ANALYSIS OF THE ENTITY

Statement of Net Assets as of June 30, 2009 (in thousands)		
	Total	
	2009	2008
Current and other assets	\$ 10675	\$ 10507
Capital assets	52864	51736
Total assets	63,539	62,243
Other liabilities	3	898
Long-term debt outstanding	2089	2326
Total liabilities	2,072	3,224
Net assets:		
Invested in capital assets, net of debt	51264	49735
Restricted	0	0
Unrestricted	10203	9284
Total net assets	\$ 61,467	\$ 59,019

Restricted net assets represent those assets that are not available for spending as a result of legislative requirements, donor agreements, or grant requirements. Conversely, unrestricted net assets are those that do not have any limitations on how these amounts may be spent.

Net assets of the West Authority (BTA) increased by \$2,448, or 4.1%, from June 30, 2008 to June 30, 2009. The primary reason is due to the addition/deletion of _____. Other causes include _____.

STATE OF LOUISIANA
Southeast Louisiana Flood Protection Authority - West (BTA)
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2009

Statement of Revenues, Expenses, and Changes in Fund Net Assets
for the years ended June 30, __
(in thousands)

	Total	
	2009	2008
Operating revenues	\$ 124	\$ 344
Operating expenses	6,432	5,821
Operating income(loss)	(6,308)	(5,477)
Non-operating revenues	8,980	10,240
Non-operating expenses *	(224)	-
Income(loss) before transfers	2,448	4,763
Extraordinary items - transfer assets to others	-	(10,738)
Transfers in	-	-
Transfers out	-	-
Net increase(decrease) in net assets	\$ 2,448	\$ (5,975)

* Enter expenses as a negative amount

The West Authority's (BTA) total revenues decreased by \$ 220 or (65%). The total cost of all programs and services increased by \$611 or 10%.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of fiscal year ended June 30, 2009, the West Authority (BTA) had \$51,264 invested in a broad range of capital assets, including land, buildings, equipment, vehicles and infrastructure (i.e., levees and levee improvements) (see accompanying Table). This amount represents a net increase (including additions and deductions) of \$1,528, or 3%, over last year.

This year's major additions included (in thousands):

- \$730 on construction of emergency center
- \$37 on furniture and fixtures
- \$72 on equipment

	2009	2008
Land	\$ 6,376	\$ 6,376
Construction in progress	0	1,082
Buildings and improvements	2,053	353
Equipment	756	856
Infrastructure	43,679	43,068
Totals	\$ 52,864	\$ 51,735

STATE OF LOUISIANA
Southeast Louisiana Flood Protection Authority - West (BTA)
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2009

Debt

The West Authority (BTA) had \$ 1,600 thousand in bonds and notes outstanding at year-end, compared to \$2,000 thousand last year, a decrease of 20 % as shown in the accompanying table.

Outstanding Debt at Year-end (in thousands)		
	2009	2008
General Obligation Bonds	\$ 0	\$ 0
Revenue Bonds and Notes	1,600	2,000
Totals \$	1,600	2,000

New debt resulted from _____. The _____ (BTA)'s bond rating continues to carry the _____ rating for general obligation bonds, and _____ rating for other debt.

The _____ (BTA) has claims and judgments of \$ _____ outstanding at year-end compared with \$ _____ last year. Other obligations include accrued vacation pay and sick leave of \$220 and OPEB of \$248.

VARIATIONS BETWEEN ORIGINAL AND FINAL BUDGETS

General Fund Revenues were approximately \$-0- million over/under budget and expenditures more than/less than budget due in part to _____.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The West Authority's (BTA) elected and appointed officials considered the following factors and indicators when setting next year's budget, rates, and fees:

- Unemployment rate of 6.8 percent
- State will continue funding at \$500 for General Fund operations
- Millage rates will stay the same

The _____ (BTA) expects that next year's results will improve based on the following:

-
-

CONTACTING THE West Authority's (BTA) MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the West Authority's (BTA) finances and to show the West Authority's (BTA) accountability for the money it receives. If you have questions about this report or need additional financial information, contact Board President – SELFPA-West at 7001 River Road, Marrero, LA 70072 or call 504-340-0318

STATE OF LOUISIANA
Southeast Louisiana Flood Protection Authority – West (BTA)
BALANCE SHEET
AS OF June 30, 2009

Statement A

ASSETS

CURRENT ASSETS:

Cash and cash equivalents	\$ 9,574
Investments	273
Receivables (net of allowance for doubtful accounts)(Note U)	827
Due from other funds (Note Y)	
Due from federal government	
Inventories	
Prepayments	
Notes receivable	
Other current assets	
Total current assets	10,674

NONCURRENT ASSETS:

Restricted assets (Note F):	
Cash	
Investments	
Receivables	
Investments	
Notes receivable	
Capital assets (net of depreciation)(Note D)	
Land	6,376
Buildings and improvements	2,053
Machinery and equipment	756
Infrastructure	43,679
Construction-in-progress	
Other noncurrent assets	
Total noncurrent assets	52,864
Total assets	\$ 63,538

LIABILITIES

CURRENT LIABILITIES:

Accounts payable and accruals (Note V)	\$ 3
Due to other funds (Note Y)	
Due to federal government	
Deferred revenues	
Amounts held in custody for others	
Other current liabilities	
Current portion of long-term liabilities: (Note K)	
Contracts payable	
Compensated absences payable	220
Capital lease obligations	
Claims and litigation payable	
Notes payable	
Bonds payable	400
Other long-term liabilities	
Total current liabilities	623

NONCURRENT LIABILITIES: (Note K)

Contracts payable	
Compensated absences payable	
Capital lease obligations	
Claims and litigation payable	
Notes payable	
Bonds payable	1,200
OPEB payable	248
Other long-term liabilities	
Total noncurrent liabilities	1,448
Total liabilities	2,071

NET ASSETS

Invested in capital assets, net of related debt	51,265
Restricted for:	
Capital projects	
Debt service	
Unemployment compensation	
Other specific purposes	
Unrestricted	10,202
Total net assets	61,467
Total liabilities and net assets	\$ 63,538

STATE OF LOUISIANA
Southeast Louisiana Flood Protection Authority – West BTA)
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
FOR THE YEAR ENDED June 30, 2009

Statement B

OPERATING REVENUES	
Sales of commodities and services	\$ _____
Assessments	_____
Use of money and property	_____
Licenses, permits, and fees	_____ 124
Other	_____
Total operating revenues	_____ 124
OPERATING EXPENSES	
Cost of sales and services	_____
Administrative	_____ 5,383
Depreciation	_____ 1,049
Amortization	_____
Total operating expenses	_____ 6,432
Operating income(loss)	_____ (6,308)
NON-OPERATING REVENUES(EXPENSES)	
State appropriations	_____ 500
Intergovernmental revenues(expenses)	_____ 2,830
Taxes	_____ 5,526
Use of money and property	_____ 106
Gain on disposal of fixed assets	_____
Loss on disposal of fixed assets	_____ (142)
Federal grants	_____
Interest expense	_____ (82)
Other revenue	_____ 18
Other expense	_____
Total non-operating revenues(expenses)	_____ 8,756
Income(loss) before contributions, extraordinary items, & transfers	_____ 2,448
Capital contributions	_____
Extraordinary item - Loss on impairment of capital assets	_____
Transfers in	_____
Transfers out	_____
Change in net assets	_____ 2,448
Total net assets ~ beginning	_____ 59,019
Total net assets ~ ending	\$ _____ 61,467

The accompanying notes are an integral part of this financial statement.

STATE OF LOUISIANA
Southeast Louisiana Flood Protection Authority - West(BTA)
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED June 30, 2009

Statement C

See Appendix B for instructions

		Program Revenues			Net (Expense)
			Operating	Capital	Revenue and
	Expenses	Charges for	Grants and	Grants and	Changes in
		Services	Contributions	Contributions	Net Assets
Entity	\$ 8,514	\$ 0	\$ 607	\$ 1,721	\$ (4,186)
General revenues:					
Taxes					5,526
State appropriations					500
State Revenue Sharing					503
Commissions and royalties					123
Interest					106
Loss on sale of equipment					(142)
Miscellaneous					17
Special items					-
Extraordinary item - Loss on impairment of capital assets					-
Transfers					
Total general revenues, special items, and transfers					6,633
Change in net assets					2,447
Net assets - beginning as restated					
Net assets - ending					\$ 2,447

The accompanying notes are an integral part of this statement.

STATE OF LOUISIANA
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST (BTA)
(continued)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2009

Statement D

Cash flows from operating activities		
Cash received from customers	\$	
Cash payments to suppliers for goods and services		(2,335)
Cash payments to employees for services		(2,584)
Payments in lieu of taxes		
Internal activity-payments to other funds		
Federal Reimbursements - FEMA		390
Other operating revenues(expenses)		141
Net cash provided(used) by operating activities		<u>(4,388)</u>
Cash flows from non-capital financing activities		
State appropriations		606
State Revenue Sharing		511
Proceeds from sale of bonds		0
Proceeds from sale of bonds		
Principal paid on bonds		
Interest paid on bond maturities		
Proceeds from issuance of notes payable		
Principal paid on notes payable		
Interest paid on notes payable		
Operating grants received		
Transfers in		
Transfers out		
Property Taxes		5,916
Net cash provided(used) by non-capital financing activities		<u>7,033</u>
Cash flows from capital and related financing activities		
Proceeds from sale of bonds		
Principal paid on bonds		(400)
Interest paid on bond maturities		(82)
Proceeds from issuance of notes payable		
Principal paid on notes payable		
Interest paid on notes payable		
Acquisition/construction of capital assets		(3,394)
Proceeds from sale of capital assets		
State Grants (coastal restoration - DNR)		2,893
Other		
Net cash provided(used) by capital and related financing activities		<u>(983)</u>
Cash flows from investing activities		
Purchases of investment securities		(273)
Proceeds from sale of investment securities		
Interest and dividends earned on investment securities		107
Net cash provided(used) by investing activities		<u>(166)</u>
Net increase(decrease) in cash and cash equivalents		<u>1,496</u>
Cash and cash equivalents at beginning of year		<u>8,078.00</u>
Cash and cash equivalents at end of year	\$	<u><u>9,574</u></u>

Statement D
(concluded)

STATE OF LOUISIANA
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY – WEST (BTA)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2009

Reconciliation of operating income(loss) to net cash provided(used) by operating activities:

Operating income(loss)	\$ <u>(6,308)</u>
Adjustments to reconcile operating income(loss) to net cash provided(used) by operating activities:	
Depreciation/amortization	<u>1,371</u>
Provision for uncollectible accounts	<u></u>
Other	<u></u>
Changes in assets and liabilities:	
(Increase)decrease in accounts receivable, net	<u>(76)</u>
(Increase)decrease in due from other funds	<u></u>
(Increase)decrease in prepayments	<u></u>
(Increase)decrease in inventories	<u></u>
(Increase)decrease in other assets	<u></u>
Increase(decrease) in accounts payable and accruals	<u></u>
Increase(decrease) in compensated absences payable	<u>20</u>
Increase(decrease) in due to other funds	<u></u>
Increase(decrease) in deferred revenues	<u></u>
Increase(decrease) in OPEB payable	<u>123</u>
Increase(decrease) in other liabilities	<u>482</u>
Net cash provided(used) by operating activities	\$ <u>(4,388)</u>

Schedule of noncash investing, capital, and financing activities:

Borrowing under capital lease(s)	\$ <u></u>
Contributions of fixed assets	<u></u>
Purchases of equipment on account	<u></u>
Asset trade-ins	<u></u>
Other (specify)	<u></u>
Write off of prior year receivable on sale of equip	<u>-142</u>
	<u></u>
	<u></u>
Total noncash investing, capital, and financing activities:	\$ <u>(142)</u>

The accompanying notes are an integral part of this statement.

STATE OF LOUISIANA
Southeast Louisiana Flood Protection Authority – West (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2009

INTRODUCTION

The West Authority (BTA) was created by the Louisiana State Legislature under the provisions of Louisiana Revised Statute (Act 1 of 2006 First Extraordinary Session). The following is a brief description of the operations of the West Authority (BTA) and includes the parish/parishes in which the (BTA) is located:

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF ACCOUNTING

In April of 1984, the Financial Accounting Foundation established the Governmental Accounting Standards Board (GASB) to promulgate generally accepted accounting principles and reporting standards with respect to activities and transactions of state and local governmental entities. The GASB has issued a Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification). This codification and subsequent GASB pronouncements are recognized as generally accepted accounting principles for state and local governments. The accompanying financial statements have been prepared in accordance with such principles.

The accompanying financial statements of the West Authority (BTA) present information only as to the transactions of the programs of the West Authority (BTA) as authorized by Louisiana statutes and administrative regulations.

Basis of accounting refers to when revenues and expenses are recognized and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The accounts of the West Authority (BTA) are maintained in accordance with applicable statutory provisions and the regulations of the Division of Administration – Office of Statewide Reporting and Accounting Policy as follows:

Revenue Recognition

Revenues are recognized using the full accrual basis of accounting; therefore, revenues are recognized in the accounting period in which they are earned and become measurable.

Expense Recognition

Expenses are recognized on the accrual basis; therefore, expenses, including salaries, are recognized in the period incurred, if measurable.

B. BUDGETARY ACCOUNTING

The appropriations made for the operations of the various programs of the West Authority (BTA) are annual lapsing appropriations.

1. The budgetary process is an annual appropriation valid for one year.
2. The agency is prohibited by statute from over expending the categories established in the budget.
3. Budget revisions are granted by the Joint Legislative Committee on the Budget, a committee of the Louisiana Legislature. Interim emergency appropriations may be granted by the Interim Emergency Board.
4. The budgetary information included in the financial statements includes the original appropriation plus subsequent amendments as follows:

STATE OF LOUISIANA
Southeast Louisiana Flood Protection Authority – West (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2009

	<u>West Authority</u> General Fund	<u>WJLD</u> O&M Fund	<u>ALD</u> O&M Fund
Original approved budget	\$ 502	\$ 5,462	\$ 695
Amendments:	(138)	(363)	(490)
Final approved budget	\$ 364	\$ 5,099	\$ 205

C. DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS (If all agency cash and investments are deposited in the State Treasury, disregard Note C.) See Appendix C for information related to Note C.

1. DEPOSITS WITH FINANCIAL INSTITUTIONS

For reporting purposes, deposits with financial institutions include savings, demand deposits, time deposits, and certificates of deposit. Under state law the West Authority (BTA) may deposit funds within a fiscal agent bank selected and designated by the Interim Emergency Board. Further, the (BTA) may invest in time certificates of deposit in any bank domiciled or having a branch office in the state of Louisiana; in savings accounts or shares of savings and loan associations and savings banks and in share accounts and share certificate accounts of federally or state chartered credit unions.

For the purpose of the Statement of Cash Flows and balance sheet presentation, all highly liquid investments (including negotiable CDs and restricted cash and cash equivalents) and deposits (including nonnegotiable CDs and restricted cash and cash equivalents) with a maturity of three months or less when purchased are considered to be cash equivalents.

Deposits in bank accounts are stated at cost, which approximates market. Under state law these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These pledged securities are required to be held in the name of the pledging fiscal agent bank in a holding or custodial bank in the form of safekeeping receipts held by the State Treasurer.

GASB Statement 40, which amended GASB Statement 3, eliminated the requirement to disclose all deposits by three categories of risk. GASB Statement 40 requires only the disclosure of deposits that are considered to be exposed to custodial credit risk. An entity's deposits are exposed to custodial credit risk if the deposit balances are either 1) uninsured and uncollateralized, 2) uninsured and collateralized with securities held by the pledging financial institution, or 3) uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the entity's name.

The deposits at June 30, 2009, consisted of the following:

STATE OF LOUISIANA
Southeast Louisiana Flood Protection Authority – West (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2009

	<u>Cash</u>	<u>Nonnegotiable Certificates of Deposit</u>	<u>Other (Describe)</u>	<u>Total</u>
Balance per agency books (Balance Sheet)	\$ 9,574	\$	\$	\$ 9,574.00
Deposits in bank accounts per bank	\$ 10,158	\$	\$	\$ 10,158.00
Bank balances of deposits exposed to custodial credit risk:				
a. Deposits not insured and uncollateralized	\$	\$	\$	\$ -
b. Deposits not insured and collateralized with securities held by the pledging institution.	\$	\$	\$	\$ -
c. Deposits not insured and collateralized with securities held by the pledging institution's trust department or agency but not in the entity's name.	\$	\$	\$	\$ -

NOTE: The "Deposits in bank accounts per bank" will not necessarily equal the "Balance per agency books" due to outstanding items.

The following is a breakdown by banking institution, program, and amount of the "Deposits in bank accounts per bank" balances shown above:

<u>Banking Institution</u>	<u>Program</u>	<u>Amount</u>
1. Capital One Bank	Various	\$ 10,158
2. _____	_____	_____
3. _____	_____	_____
4. _____	_____	_____
Total		\$ 10,158

Cash in State Treasury and petty cash are not required to be reported in the note disclosure. However, to aid in reconciling amounts reported on the balance sheet to amounts reported in this note, list below any cash in treasury and petty cash that are included on the balance sheet.

Cash in State Treasury	\$ _____
Petty cash	\$ _____

2. INVESTMENTS

The West Authority (BTA) does maintain investment accounts as authorized by State Statutes LRS 33:2955 (Note legal provisions authorizing investments by (BTA)).

Custodial Credit Risk

Investments can be exposed to custodial credit risk if the securities underlying the investment are uninsured, not registered in the name of the entity, and are either held by the counterparty or the counterparty's trust department or agent, but not in the entity's name. Repurchase agreements are not subject to credit risk if the securities underlying the repurchase agreement are exempt from credit risk disclosure. Using the following table, list each type of investment disclosing the total carrying amounts and market values, and any amounts exposed to custodial credit risk.

STATE OF LOUISIANA
Southeast Louisiana Flood Protection Authority – West (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2009

GASB Statement 40 amended GASB Statement 3 to eliminate the requirement to disclose all investments by three categories of risk. GASB Statement 40 requires only the separate disclosure of investments that are considered to be exposed to custodial credit risk. Those investments exposed to custodial credit risk are reported by type in one of two separate columns depending upon whether they are held by a counterparty, or held by a counterparty's trust department or agent not in the entity's name. In addition, the total reported amount and fair value columns still must be reported for total investments regardless of exposure to custodial credit risk.

<u>Type of Investment</u>	<u>Investments Exposed to Custodial Credit Risk</u>		<u>All Investments Regardless of Custodial Credit Risk Exposure</u>	
	<u>Uninsured, *Unregistered, and Held by Counterparty</u>	<u>Uninsured, *Unregistered, and Held by Counterparty's Trust Dept. or Agent Not in Entity's Name</u>	<u>Reported Amount Per Balance Sheet</u>	<u>Fair Value</u>
Negotiable CDs	\$ _____	\$ _____	\$ _____	\$ _____
Repurchase agreements	_____	_____	_____	_____
U.S. Government Obligations **	_____	_____	_____	_____
U.S. Agency Obligations	_____	_____	_____	_____
Common & preferred stock	_____	_____	_____	_____
Mortgages (including CMOs & MBSs)	_____	_____	_____	_____
Corporate bonds	_____	_____	_____	_____
Mutual funds	_____	_____	_____	_____
Real estate	_____	_____	_____	_____
External Investment Pool (LAMP) ***	_____	_____	273	273
External Investment Pool (Other)	_____	_____	_____	_____
Other: (identify)	_____	_____	_____	_____
LAMP	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
Total investments	\$ _____ - \$ _____	\$ _____ - \$ _____	\$ 273	\$ 273

* Unregistered - not registered in the name of the government or entity

** These obligations generally are not exposed to custodial credit risk because they are backed by the full faith and credit of the U.S. government. (See Appendix C for the definition of U.S. Government Obligations)

*** LAMP investments should not be included in deposits AND should be identified separately in this table to ensure LAMP investments are not double-counted on the State level

3. DERIVATIVES

The institution does not invest in derivatives as part of its investment policy. Accordingly, the exposure to risk from these investments is as follows:

credit risk _____
market risk _____
legal risk _____

STATE OF LOUISIANA
Southeast Louisiana Flood Protection Authority – West (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2009

Technical Bulletin 2003-1 requires certain note disclosures for derivatives that are not reported at fair value on the Balance Sheet. See Appendix C for more details and disclose any of these required note disclosures below, if applicable.

4. CREDIT RISK, INTEREST RATE RISK, CONCENTRATION OF CREDIT RISK, AND FOREIGN CURRENCY RISK DISCLOSURES

A. Credit Risk of Debt Investments

Disclose the credit risk of debt investments by credit quality ratings as described by rating agencies as of the fiscal year end, including the rating agency used (Moody's, S&P, etc.). All debt investments regardless of type can be aggregated by credit quality rating (if any are un-rated, disclose that amount).

<u>Rating Agency</u>	<u>Rating</u>	<u>Fair Value</u>
		\$
	Total	\$ -

B. Interest Rate Risk of Debt Investments

1. Disclose the interest rate risk of debt investments by listing the investment type, total fair value, and breakdown of maturity in years for each debt investment type. (Note – This is the prescribed method, segmented time distribution, for the CAFR. Also, total debt investments reported in this table should equal total debt investments reported in Section A – Credit Risk of Debt Investments.)

Type of Debt Investment	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1 - 5	6 - 10	Greater Than 10
U.S. Government obligations	\$	\$	\$	\$	\$
U.S. Agency obligations					
Mortgage backed securities					
Collateralized mortgage obligations					
Corporate bonds					
Other bonds (describe)					
Mutual bond funds					
Other					
Total debt investments	\$ -	\$ -	\$ -	\$ -	\$ -

STATE OF LOUISIANA
Southeast Louisiana Flood Protection Authority – West (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2009

2. List the fair value and terms of any debt investments that are highly sensitive to changes in interest rates due to the terms (e.g. coupon multipliers, reset dates, etc.) of the investment. See Appendix C for examples of debt investments that are highly sensitive to changes in interest rates.

<u>Debt Investment</u>	<u>Fair Value</u>	<u>Terms</u>
	\$	
Total	\$	

C. Concentration of Credit Risk

List, by amount and issuer, investments in any one issuer that represents 5% or more of total external investments (not including U.S. government securities, mutual funds, and investment pools).

<u>Issuer</u>	<u>Amount</u>	<u>% of Total Investments</u>
LAMP	\$ 273	100
Total	\$ 273	

D. Foreign Currency Risk

Disclose the U.S. dollar balances of any deposits or investments that are exposed to foreign currency risk (deposits or investments denominated in foreign currencies); list by currency denomination and investment type, if applicable.

<u>Foreign Currency</u>	<u>Fair Value in U.S. Dollars</u>	
	<u>Bonds</u>	<u>Stocks</u>
	\$	\$
Total	\$ -	\$ -

5. POLICIES

Briefly describe the deposit and/or investment policies related to the custodial credit risk, credit risk of debt investments, concentration of credit risk, interest rate risk, and foreign currency risk disclosed in this note. If no policy exists concerning the risks disclosed, please state that fact.

Can only invest in US treasuries and discount note with maturities of less than 2 years.

STATE OF LOUISIANA
Southeast Louisiana Flood Protection Authority – West (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2009

6. OTHER DISCLOSURES REQUIRED FOR INVESTMENTS

- a. Investments in pools managed by other governments or mutual funds (LAMP) _____
- b. Securities underlying reverse repurchase agreements _____
- c. Unrealized investment losses _____
- d. Commitments as of _____ (fiscal close), to resell securities under yield maintenance repurchase agreements:
 - 1. Carrying amount and market value at June 30 of securities to be resold _____
 - 2. Description of the terms of the agreement _____
- e. Losses during the year due to default by counterparties to deposit or investment transactions _____
- f. Amounts recovered from prior-period losses which are not shown separately on the balance sheet _____

Legal or Contractual Provisions for Reverse Repurchase Agreements

- g. Source of legal or contractual authorization for use of reverse repurchase agreements _____
- h. Significant violations of legal or contractual provisions for reverse repurchase agreements that occurred during the year _____

Reverse Repurchase Agreements as of Year-End

- i. Credit risk related to the reverse repurchase agreements (other than yield maintenance agreements) outstanding at year end, that is, the aggregate amount of reverse repurchase agreement obligations including accrued interest compared to aggregate market value of the securities underlying those agreements including interest _____
- j. Commitments on _____ (fiscal close) to repurchase securities under yield maintenance agreements _____
- k. Market value on _____ (fiscal close) of the securities to be repurchased _____
- l. Description of the terms of the agreements to repurchase _____
- m. Losses recognized during the year due to default by counterparties to reverse repurchase agreements _____
- n. Amounts recovered from prior-period losses which are not separately shown on the operating statement _____

Fair Value Disclosures (GASB 31)

STATE OF LOUISIANA
Southeast Louisiana Flood Protection Authority – West (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2009

- o. Methods and significant assumptions used to estimate fair value of investments, if fair value is not based on quoted market prices _____
- p. Basis for determining which investments, if any, are reported at amortized cost _____
- q. For investments in external investment pools that are not SEC-registered, a brief description of any regulatory oversight for the pool _____
- r. Whether the fair value of your investment in the external investment pool is the same as the value of the pool shares (YES) _____
- s. Any involuntary participation in an external investment pool _____
- t. If you are unable to obtain information from a pool sponsor to determine the fair value of your investment in the pool, methods used and significant assumptions made in determining fair value and the reasons for having had to make such an estimate _____
- u. Any income from investments associated with one fund that is assigned to another fund _____

Land and Other Real Estate Held as Investments by Endowments (GASB 52)

- v. _____ (agency/entity) owns land or other real estate held as investments by endowments. (no) Land or real estate held as investments by endowments is reported at fair value in the entity's financial statements and any applicable fair value note disclosures are reported in the preceding fair value disclosure section.

STATE OF LOUISIANA
Southeast Louisiana Flood Protection Authority – West (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2009

D. CAPITAL ASSETS – INCLUDING CAPITAL LEASE ASSETS

The fixed assets used in the Special Purpose Government Engaged only in Business-Type Activities are included on the balance sheet of the entity and are capitalized at cost. Depreciation of all exhaustible fixed assets used by the entity is charged as an expense against operations. Accumulated depreciation is reported on the balance sheet. Depreciation for financial reporting purposes is computed by the straight line method over the useful lives of the assets.

	Year ended June 30, 2009						
	Prior Period Adjustments			Adjusted Balance 6/30/2008	Additions	Transfers*	Retirements
	Balance 6/30/2008	Adj. after submitted to OSRAP (+or-) Restatements (+or-)					
Capital assets not being depreciated							
Land	\$ 6,376	\$	\$ 6,376	\$	\$	\$	\$ 6,376
Non-depreciable land improvements	–		–				–
Capitalized collections	–		–				–
Construction in progress	1,082		1,082	730	(1,812)		–
Total capital assets not being depreciated	7,458	–	7,458	730	(1,812)	–	6,376
Other capital assets							
Machinery and equipment	1,898		1,898	109	–	(19)	1,988
Less accumulated depreciation	(1,042)		(1,042)	(209)		19	(1,232)
Total Machinery and equipment	856	–	856	(100)	–	–	756
Buildings and improvements	1,930		1,930		1,812		3,742
Less accumulated depreciation	(1,576)		(1,576)	(113)			(1,689)
Total buildings and improvements	354	–	354	(113)	1,812	–	2,053
Depreciable land improvements	–		–				–
Less accumulated depreciation	–		–				–
Total depreciable land improvements	–	–	–	–	–	–	–
Infrastructure	48,890		48,890	1,660			50,550
Less accumulated depreciation	(5,822)		(5,822)	(1,049)			(6,871)
Total infrastructure	43,068	–	43,068	611	–	–	43,679
Total other capital assets	44,278	–	44,278	398	1,812	–	46,488
Capital Asset Summary:							
Capital assets not being depreciated	7,458	–	7,458	730	(1,812)	–	6,376
Other capital assets, at cost	52,718	–	52,718	1,769	1,812	(19)	56,280
Total cost of capital assets	60,176	–	60,176	2,499	–	(19)	62,656
Less accumulated depreciation	(8,440)	–	(8,440)	(1,371)	–	19	(9,792)
Capital assets, net	\$ 51,736	\$ –	\$ 51,736	\$ 1,128	\$ –	\$ –	\$ 52,864

* Should be used only for those completed projects coming out of construction-in-progress to fixed assets; not associated with transfers reported elsewhere in this packet.

STATE OF LOUISIANA
Southeast Louisiana Flood Protection Authority – West (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2009

E. INVENTORIES

The BTA's inventories are valued using _____ (method of valuation – FIFO, LIFO, weighted average, moving average, specific identification, etc). These are perpetual inventories and are expensed when used.

F. RESTRICTED ASSETS

Restricted assets in the _____ (BTA) at _____ (fiscal year end), reflected at \$ _____ in the non-current assets section on Statement A, consist of \$ _____ in cash with fiscal agent, \$ _____ in receivables, and \$ _____ investment in _____ (identify the type of investments held.) State the purpose of the restrictions:
_____.

G. LEAVE

1. COMPENSATED ABSENCES

The West Authority (BTA) has the following policy on annual and sick leave: (Describe leave policy.)

Employees earn and accumulate annual and sick leave at various rates depending on their years of service. The amount of annual and sick leave that may be accumulated by each employee is unlimited. Upon termination, employees or their heirs are compensated for up to 300 hours of unused annual leave at the employee's hourly rate of pay at the time of termination. Upon retirement, unused annual leave in excess of 300 hours plus unused sick leave is used to compute retirement benefits.

The cost of leave privileges, computed in accordance with GASB Codification Section C60, is recognized as a current year expenditure in the fund when leave is actually taken; it is recognized in the enterprise funds when the leave is earned. The cost of leave privileges applicable to general government operations not requiring current resources is recorded in long-term obligations.

2. COMPENSATORY LEAVE

Employees who are considered having non-exempt status according to the guidelines contained in the Fair Labor Standards Act may be paid for compensatory leave earned (K-time). Upon termination or transfer, an employee will be paid for any time and one-half compensatory leave earned and may or may not be paid for any straight hour-for-hour compensatory leave earned. Compensation paid will be based on the employees' hourly rate of pay at termination or transfer. The liability for accrued payable compensatory leave at _____ (fiscal year end) computed in accordance with the Codification of Governmental Accounting and Financial Reporting Standards, Section C60.105 is estimated to be \$ _____. The leave payable is recorded in the accompanying financial statements.

H. RETIREMENT SYSTEM

Substantially all of the employees of the (BTA) are members of the Louisiana State Employees Retirement System (LASERS), a single employer defined benefit pension plan. The System is a statewide public employee retirement system (PERS) for the benefit of state employees, which is administered and controlled by a separate board of trustees. (Note: If LASERS is not your entity's retirement system, indicate the retirement system that is and replace any wording in this note that doesn't apply to your retirement system with the applicable wording.)

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All full-time (BTA) employees are eligible to participate in the System unless they elect to continue as a contributing member in any other retirement system for which they remain eligible for membership. Certain elected officials and officials appointed by the governor may, at their option, become members of LASERS. Normal benefits vest with 10 years of service. Generally, retirement age employees are entitled to annual benefits equal to \$300 plus 2.5% of their highest consecutive 36 months' average salary multiplied by their years of credited service except for members eligible to begin participation in the Defined Benefit Plan (DBP) on or after July 1, 2006. Act 75 of the 2005 Regular Session changes retirement eligibility and final average compensation for members who are eligible to begin participation in the DBP beginning July 1, 2006. Retirement eligibility for these members is limited to age 60, or thereafter, upon attainment of ten years of creditable service. Final average compensation will be based on the member's average annual earned compensation for the highest 60 consecutive months of employment.

Vested employees eligible to begin participation in the DBP before July 1, 2006, are entitled to a retirement benefit, payable monthly for life at (a) any age with 30 years of service, (b) age 55 with 25 years of service, or (c) age 60 with 10 years of service. In addition, these vested employees have the option of reduced benefits at any age with 20 years of service. Those hired on or after July 1, 2006 have only a single age option. They cannot retire until age 60 with a minimum of 10 years of service. The System also provides death and disability benefits and deferred benefit options, with qualifications and amounts defined by statute. Benefits are established or amended by state statute. The System issues a publicly available annual financial report that includes financial statements and required supplementary information for the System. For a full description of the LASERS defined benefit plan, please refer to the LASERS 2008 Financial Statements, specifically, footnotes A – Plan Description and C – Contributions. That report may be obtained by writing to the Louisiana State Employees Retirement System, Post Office Box 44213, Baton Rouge, Louisiana 70804-4213, or by calling (225) 922-0608 or (800) 256-3000. The footnotes to the Financial Statements contain additional details and are also available on-line at:

http://www.lasers.state.la.us/PDFs/Publications_and_Reports/Fiscal_Documents/Comprehensive_Financial_Reports/Comprehensive%20Financial%20Reports_08.pdf

Members are required by state statute to contribute with the single largest group ("regular members") contributing 7.5% of gross salary, and the (BTA) is required to contribute at an actuarially determined rate as required by R.S. 11:102. The contribution rate for the fiscal year ended June 30, 2009 decreased / increased to 18.5% of annual covered payroll from the 20.04% and ____% required in fiscal years ended June 30, 2008 and 2007 respectively. The (BTA) contributions to the System for the years ending June 30, 2009, 2008, and 2007, were \$254, \$224, and \$145, respectively, equal to the required contributions for each year.

I. OTHER POSTEMPLOYMENT BENEFITS (OPEB)

GASB Statement No. 43, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans* addresses accounting and financial reporting for OPEB trust and agency funds of the employer. **GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions*** establishes standards of accounting and financial reporting for OPEB expense/expenditures and related OPEB liabilities or OPEB assets, note disclosures, and required supplementary information (RSI) in the financial reports of governmental employers. See the GASB Statement No. 45 note disclosures requirements in section 2 of this note.

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1. Calculation of Net OPEB Obligation

(Note: Complete the following table for only the net OPEB obligation (NOO) related to OPEB administered by the Office of Group Benefits)

Fiscal year ending	6/30/2009
1. ARC (broken down by agency on pages 29-33 of the actuarial valuation report)	\$209.0
2. *NOO, beginning of year (see <i>OPEB Liability Spreadsheet of FYE 6/30/08</i> on OSRAP's website)	125
3. Amortization factor	26.17
4. Interest on NOO (4% x 2.)	\$5.0
5. ARC adjustment (2/3.)	(\$7.0)
6. Annual OPEB expense (1. + 4. - 5.)	\$207.0
7. Contributions (payments to OGB for retiree's cost of group insurance 2009 premiums)	(\$84.0)
8. Adjustment to OGB billings for retirees' insurance 2009 premiums	
9. **NOO, end of year (2. + 6. - 7 +or-8.)	\$248.0

* This must be obtained from the OSRAP website on the spreadsheet "OPEB Liability Spreadsheet for FYE June 30, 2008"

**This should be the same amount as that shown on the Balance Sheet for the year ended June 30, 2009 if your entity's only OPEB is administered by OGB.

For more information on calculating the annual OPEB expense and the net OPEB obligation, see page two of the OPEB actuarial valuation report on OSRAP's website www.doa.louisiana.gov/osrap/index.htm, select "AFR packets", then scroll down and select "GASB 45 OPEB Valuation Report as of July 1, 2008, to be used for fiscal year ending June 30, 2009". Also, see Appendix D in the back of this packet.

2. Note Disclosures

If your only OPEB provider is OGB, your entity will have no OPEB note disclosures for OSRAP other than the OPEB calculation above; however, GASB 45 note disclosures are required for separately issued GAAP financial statements. Please provide OSRAP with the applicable GASB 43 and 45 note disclosures if your entity's OPEB group insurance plan is administered by an entity other than OGB. Following is a summary of the requirements of GASB Statement 45.

I. Plan Description

- Name of Plan
- Identify entity that administers the plan
- Type of plan
- Brief description of the types of benefits
- Authority under which benefit provisions are established or may be amended
- Whether the OPEB plan issues a stand-alone financial report or is included in the report of a PERS or another entity, and, if so how to obtain the report.

II. Funding Policy

- Authority under which the obligations of the plan members, employers, and other contributing entities (e.g., state contributions to local government plans) to contribute to the plan are established or may be amended.
- Required contribution rates of plan members (amount per member or percentage of covered payroll).
- Required contribution rates of the employer in accordance with the funding policy (in dollars or as percentage of current-year covered payroll) and, if applicable, legal or contractual maximum contribution rates: If the plan is a single-employer or agent plan and the rate differs significantly from the ARC, disclose how the rate is determined (e.g., by statute or contract) or that the plan is financed on a pay-as-you-go basis. If the plan is a cost-sharing plan, disclose the required contributions in dollars and the percentage of

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that amount contributed for the current year and each of the two preceding years, and how the required contribution rate is determined (e.g., by statute or by contract, or on an actuarially determined basis) or that the plan is financed on a pay-as-you-go basis.

II. Additional disclosures for sole and agent employers for each plan:

- a) For current year (CY), annual OPEB cost and the dollar amount of contributions made. If the employer has a net OPEB obligation, also disclose the components of annual OPEB cost (ARC, interest on the net OPEB obligation, and the adjustment to the ARC), the increase or decrease in the net OPEB obligation, and the net OPEB obligation at the end of the year.
- b) For the current year and each of the two preceding years, disclose annual OPEB cost, percentage of annual OPEB cost contributed that year, and net OPEB obligation at the end of the year. (For the first two years, the required information should be presented for the transition year, and for the current and transition years, respectively.)
- c) Information about the funded status of the plan as of the most recent valuation date, including the actuarial valuation date, the actuarial value of assets, the actuarial accrued liability, the total unfunded actuarial liability (or funding excess), the actuarial value of assets as a percentage of the actuarial accrued liability (funded ratio), the annual covered payroll, and the ratio of the unfunded actuarial liability (or funding excess) to annual covered payroll. The information should be calculated in accordance with the parameters. However, employers that meet the criteria in GASB Statement 45, paragraph 11 may elect to use the alternative measurement method discussed in GASB Statement 45, paragraphs 33 through 35. Employers that use the aggregate actuarial cost method should prepare this information using the entry age actuarial cost method for that purpose only.
- d) Information about the actuarial methods and assumptions used in valuations on which reported information about the ARC, annual OPEB cost, and the funded status and funding progress of OPEB plans is based, including the following:
 - 1) Disclosure that actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and that actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.
 - 2) Disclosure that the required schedule of funding progress immediately following the notes to the financial statements presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.
 - 3) Disclosure that calculations are based on the types of benefits provided under the terms of the substantive plan at the time of each valuation and on the pattern of sharing of costs between the employer and plan members to that point. In addition, if applicable, the employer should disclose that the projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations (as discussed in the disclosure of funding policy in paragraph II(c) above) on the pattern of cost sharing between the employer and plan members in the future.
 - 4) Disclosure that actuarial calculations reflect a long-term perspective. In addition, if applicable, disclosure that, consistent with that perspective, actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets.
 - 5) Identification of the actuarial methods and significant assumptions used to determine the ARC for the current year and the information required by paragraph III(c) above. The disclosures should include:
 - (a) The actuarial cost method.
 - (b) The method(s) used to determine the actuarial value of assets.
 - (c) The assumptions with respect to the inflation rate, investment return (including the method used to determine a blended rate for a partially funded plan, if applicable), postretirement benefit increases if applicable, projected salary increases if relevant to determination of the level of benefits, and, for postemployment healthcare plans, the healthcare cost trend rate. If the economic assumptions contemplate different rates for successive years (year-based or select and ultimate rates), the rates that should be disclosed are the initial and ultimate rates.
 - (d) The amortization method (level dollar or level percentage of projected payroll) and the amortization period (equivalent single amortization period, for plans that use multiple periods) for the most recent

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actuarial valuation and whether the period is closed or open. Employers that use the aggregate actuarial cost method should disclose that because the method does not identify or separately amortize unfunded actuarial liabilities, information about funded status and funding progress has been prepared using the entry age actuarial cost method for that purpose, and that the information presented is intended to approximate the funding progress of the plan.

IV. Required Supplementary Information:

Sole and agent employers should present the following information for the most recent actuarial valuation and the two preceding valuations:

- a. Information about the funding progress of the plan, including, for each valuation, each of the elements of information listed in paragraph III(c) above.
- b. Factors that significantly affect the identification of trends in the amounts reported, including, for example, changes in benefit provisions, the size or composition of the population covered by the plan, or the actuarial methods and assumptions used. (The amounts reported for prior years should not be restated.)

The information should be calculated in accordance with the parameters and should be presented as RSI. Employers that use the aggregate actuarial cost method should prepare the information using the entry age actuarial cost method and should disclose that fact and that the purpose of this disclosure is to provide information that approximates the funding progress of the plan.

If the cost-sharing plan in which an employer participates does not issue and make publicly available a stand-alone plan financial report prepared in accordance with the requirements of Statement 43, and the plan is not included in the financial report of a PERS or another entity, the cost-sharing employer should present as RSI in its own financial report schedules of funding progress and employer contributions for the plan (and notes to these schedules), prepared in accordance with the requirements of Statement 43. The employer should disclose that the information presented relates to the cost-sharing plan as a whole, of which the employer is one participating employer, and should provide information helpful for understanding the scale of the information presented relative to the employer.

J. LEASES

NOTE: Where five-year amounts are requested, list the total amount (sum) for the five-year period, not the annual amount for each of the five years.)

1. OPERATING LEASES

The total payments for operating leases during fiscal year _____ amounted to \$ _____. (Note: If lease payments extend past FY 2024, create additional columns and report these future minimum lease payments in five year increments.) A schedule of payments for operating leases follows:

Nature of lease	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015- 2019	FY 2020- 2024
Office Space	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
Equipment	_____	_____	_____	_____	_____	_____	_____
Land	_____	_____	_____	_____	_____	_____	_____
Other	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
Total	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____

2. CAPITAL LEASES

Capital leases (are/are not) recognized in the accompanying financial statements. The amounts to be accrued for capital leases and the disclosures required for capital and operating leases by National Council

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on Governmental Accounting (NCGA) Statement No. 5, as adopted by the Governmental Accounting Standards Board, and FASB 13 should be reported on the following schedules:

Capital leases are defined as an arrangement in which any one of the following conditions apply: (1) ownership transfers by the end of the lease, (2) the lease contains a bargain purchase option, (3) the lease term is 75% of the asset life or, (4) the discounted minimum lease payments are 90% of the fair market value of the asset.

Schedule A should be used to report all capital leases including new leases in effect as of 6/30/09. In **Schedule B**, report only those new leases entered into during fiscal year 2008-2009.

SCHEDULE A – TOTAL AGENCY CAPITAL LEASES EXCEPT LEAF

<u>Nature of lease</u>	<u>Gross Amount of Leased Asset (Historical Costs)</u>	<u>Remaining interest to end of lease</u>	<u>Remaining principal to end of lease</u>
a. Office space	\$ _____	\$ _____	\$ _____
b. Equipment	_____	_____	_____
c. Land	_____	_____	_____
Total	\$ _____ -	\$ _____ -	\$ _____ -

The following is a schedule by years of future minimum lease payments under capital leases together with the present value of the minimum lease payments as of (last day of your fiscal year) and a breakdown of yearly principal and interest: **(Note: If lease payments extend past FY2029, create additional rows and report these future minimum lease payments in five year increments.)**

<u>Year ending June 30:</u>	<u>Total</u>
2010	\$ _____
2011	_____
2012	_____
2013	_____
2014	_____
2015-2019	_____
2020-2024	_____
2025-2029	_____
Total minimum lease payments	_____ -
Less amounts representing executory costs	_____
Net minimum lease payments	_____ -
Less amounts representing interest	_____
Present value of net minimum lease payments	\$ _____ -

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SCHEDULE B – NEW AGENCY CAPITAL LEASES EXCEPT LEAF

<u>Nature of lease</u>	<u>Gross Amount of Leased Asset (Historical Costs)</u>	<u>Remaining interest to end of lease</u>	<u>Remaining principal to end of lease</u>
a. Office space	\$ _____	\$ _____	\$ _____
b. Equipment	_____	_____	_____
c. Land	_____	_____	_____
Total	\$ _____ -	\$ _____ -	\$ _____ -

The following is a schedule by years of future minimum lease payments under capital leases together with the present value of the net minimum lease payments as of (last day of your fiscal year) and a breakdown of yearly principal and interest: **(Note: If lease payments extend past FY2029, create additional rows and report these future minimum lease payments in five year increments.)**

<u>Year ending June 30:</u>	<u>Total</u>
2010	\$ _____
2011	_____
2012	_____
2013	_____
2014	_____
2015-2019	_____
2020-2024	_____
2025-2029	_____
Total minimum lease payments	_____ -
Less amounts representing executory costs	_____
Net minimum lease payments	_____ -
Less amounts representing interest	_____
Present value of net minimum lease payments	\$ _____ -

SCHEDULE C – LEAF CAPITAL LEASES

<u>Nature of lease</u>	<u>Gross Amount of Leased Asset (Historical Costs)</u>	<u>Remaining interest to end of lease</u>	<u>Remaining principal to end of lease</u>
a. Office space	\$ _____	\$ _____	\$ _____
b. Equipment	_____	_____	_____
c. Land	_____	_____	_____
Total	\$ _____ -	\$ _____ -	\$ _____ -

The following is a schedule by years of future minimum lease payments under capital leases financed through the LEAF program, together with the present value of the net minimum lease payments as of (last day of your fiscal year) and a breakdown of yearly principal and interest: **(Note: If lease payments extend**

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past FY2029, create additional rows and report these future minimum lease payments in five year increments.)

Year ending June 30:	<u>Total</u>
2010	\$ _____
2011	_____
2012	_____
2013	_____
2014	_____
2015-2019	_____
2020-2024	_____
2025-2029	_____
Total minimum lease payments	_____ -
Less amounts representing executory costs	_____
Net minimum lease payments	_____ -
Less amounts representing interest	_____
Present value of net minimum lease payments	\$ _____ -

3. LESSOR DIRECT FINANCING LEASES

A lease is classified as a direct financing lease (1) when any one of the four capitalization criteria used to define a capital lease for the lessee is met and (2) when both the following criteria are satisfied:

- Collectability of the minimum lease payments is reasonably predictable.
- No important uncertainties surround the amount of the unreimbursable costs yet to be incurred by the lessor under the lease.

Provide a general description of the direct financing agreement and complete the chart below:

<u>Composition of lease</u>	<u>Date of lease</u>	<u>Minimum lease payment receivable</u>	<u>Remaining interest to end of lease</u>	<u>Remanining principal to end of lease</u>
a. Office space	_____	\$ _____	\$ _____	\$ _____
b. Equipment	_____	_____	_____	_____
c. Land	_____	_____	_____	_____
Less amounts representing executory costs		_____		
Minimum lease payment receivable		_____ -		
Less allowance for doubtful accounts		_____		
Net minimum lease payments receivable		_____ -		
Less estimated residual value of leased property		_____		
Less unearned income		_____		
Net investment in direct financing lease		\$ _____ -		

Minimum lease payment receivables do not include contingent rentals which may be received as stipulated in the lease contracts. Contingent rental payments occur if, for example, the use of the equipment, land, or building etc., exceeds a certain level of activity each year. Contingent rentals received for fiscal year 2009 were \$ _____ for office space, \$ _____ for equipment, and \$ _____ for land.

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The following is a schedule by year of minimum leases receivable for the remaining fiscal years of the lease as of _____ (the last day of your fiscal year): **(Note: If lease receivables extend past FY2029, please create additional rows and report these future minimum lease payment receivables in five year increments.)**

Year ending _____:	
2010	\$ _____
2011	_____
2012	_____
2013	_____
2014	_____
2015-2019	_____
2020-2024	_____
2025-2029	_____
Total	\$ _____

4. LESSOR – OPERATING LEASE

When a lease agreement does not satisfy at least one of the four criteria (common to both lessee and lessor accounting), and both of the criteria for a lessor (collectability and no uncertain reimbursable costs), the lease is classified as an operating lease. In an operating lease, there is no simulated sale and the lessor simply records rent revenues as they become measurable and available.

Provide the cost and carrying amount, if different, of property on lease or held for lease organized by major class of property and the amount of accumulated depreciation as of _____ 20____:

	<u>Cost</u>	<u>Accumulated depreciation</u>	<u>Carrying amount</u>
a. Office space	\$ _____	\$ _____	\$ _____ 0
b. Equipment	_____	_____	_____ 0
c. Land	_____	_____	_____ 0
Total	\$ _____ -	\$ _____ -	\$ _____ -

The following is a schedule by years of minimum future rentals receivable on non-cancelable operating lease(s) as of _____ (the last day of your fiscal year): **(Note: If lease receivables extend past FY2029, please create additional rows and report these future minimum lease payment receivables in five year increments.)**

<u>Year Ended</u> <u>June 30,</u>	<u>Office Space</u>	<u>Equipment</u>	<u>Land</u>	<u>Other</u>	<u>Total</u>
2010	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____ -
2011					-
2012					-
2013					-
2014					-
2015-2019					-
2020-2024					-
2025-2029					-
Total	\$ _____ -	\$ _____ -	\$ _____ -	\$ _____ -	\$ _____ -

Current year lease revenues received in fiscal year _____ totaled \$ _____. Contingent rentals received from operating leases received for your fiscal year was \$ _____ for office space, \$ _____ for equipment, and \$ _____ for land.

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K. LONG-TERM LIABILITIES

The following is a summary of long-term debt transactions of the entity for the year ended June 30, 20__:

	Year ended June 30, 2009			Balance June 30, 2009	Amounts due within one year
	Balance June 30, 2008	Additions	Reductions		
Notes and bonds payable:					
Notes payable	\$	\$	\$	\$ –	\$
Bonds payable	2,000		400	1,600	400
Total notes and bonds	<u>2,000</u>	<u>--</u>	<u>400</u>	<u>1,600</u>	<u>400</u>
Other liabilities:					
Contracts payable				–	
Compensated absences payable	200	20		220	220
Capital lease obligations				–	
Claims and litigation				–	
OPEB payable	125	124		249	
Other long-term liabilities				–	
Total other liabilities	<u>325</u>	<u>144</u>	<u>--</u>	<u>469</u>	<u>220</u>
Total long-term liabilities	\$ <u>2,325</u>	\$ <u>144</u>	\$ <u>400</u>	\$ <u>2,069</u>	\$ <u>620</u>

(Balances at June 30th should include current and non-current portion of long-term liabilities.)

(Send OSRAP a copy of the amortization schedule for any new debt issued.)

L. CONTINGENT LIABILITIES

GAAP requires that the notes to the financial statements disclose any situation where there is at least a reasonable possibility that assets have been impaired or that a liability has been incurred along with the dollar amount if it can reasonably be estimated. **Do not report impaired capital assets as defined by GASB 42 below, rather disclose GASB 42 impaired capital assets in Note CC.** Losses or ending litigation that is probable should be reflected on the balance sheet.

The West Authority (BTA) is a defendant in litigation seeking damages as follows: (Only list litigation not being handled by the Office of Risk Management or the Attorney General.)

Date of Action	Description of Litigation and Probable outcome (Probable, reasonably possible or remote)	Estimated Liability Amt for Claims & Litigation (Opinion of legal counsel)	Insurance Coverage
	Reasonably Possible - Taking of land	\$ 525,000	\$
Totals		\$ 525,000	\$ -

***Note:** Liability for claims and judgments should include specific, incremental claim expenses if known or if it can be estimated. For example, the cost of outside legal assistance on a particular claim may be an incremental cost, whereas assistance from internal legal staff on a claim may not be incremental because the salary costs for internal staff normally will be incurred regardless of the claim. (See GASB 30, paragraph 9)

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Those agencies collecting federal funds, which have been informed that certain of their previously claimed costs were disallowed, should disclose the requested information in the schedule shown below. Show each possible disallowance on a separate line in the chart.

	Program	Date of Disallowance	Amount	*Probability of Payment	Estimated Liability Amount**
1			\$		\$
2					
3					
4					

* Reasonably possible, probable, or remote

** Indicate only if amount can be reasonably estimated by legal counsel

(Only answer the following questions for those claims and litigation not being handled by the Office of Risk Management.)

Indicate the way in which risks of loss are handled (circle one).

purchase of commercial insurance,

participation in a public entity risk pool (e.g., Office of Risk Management claims)

risk retention (e.g., Use of an internal service fund is considered risk retention because the entity as a whole has retained the risk of loss.)

Other (explain) _____

For entities participating in a risk pool (other than the Office of Risk Management), describe the nature of the participation, including the rights and the responsibilities of both the entity and the pool. _____

Describe any significant reductions in insurance coverage from coverage in the prior year by major categories of risk. Also, indicate whether the amount of settlements exceeded insurance coverage for each of the past three fiscal years. _____

Disclose any cases where it is probable that a liability has been incurred, but the effect of the liability has not been reflected in the financial statements because it cannot be estimated. _____

Disclose any guarantee of indebtedness even if there is only a remote chance that the government will be called on to honor its guarantee. _____

M. RELATED PARTY TRANSACTIONS

FASB 57 requires disclosure of the description of the relationship, the transaction(s), the dollar amount of the transaction(s) and any amounts due to or from that result from related party transactions. List all related party transactions. _____

N. ACCOUNTING CHANGES

Accounting changes made during the year involved a change in accounting _____ (principle, estimate or entity). The effect of the change is being shown in _____.

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O. IN-KIND CONTRIBUTIONS

List all in-kind contributions that are not included in the accompanying financial statements.

<u>In-Kind Contributions</u>	<u>Cost/Estimated Cost/Fair Market Value/As Determined by the Grantor</u>
	\$
Total	\$ -

P. DEFEASED ISSUES

In _____, 20____, the _____ (BTA), issued \$_____ of taxable bonds. The purpose of the issue was to provide monies to advance refund portions of _____ bonds. In order to refund the bonds, portions of the proceeds of the new issue \$_____, plus an additional \$_____ of sinking fund monies together with certain other funds and/or securities, were deposited and held in an escrow fund created pursuant to an escrow deposit agreement dated _____ between the (BTA) and the escrow trustee. The amount in the escrow, together with interest earnings, will be used to pay the principal, redemption premium, and interest when due. The refunding resulted in reducing the total debt service payments by almost \$_____ and gave the (BTA) an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$_____.

Q. REVENUES – PLEDGED OR SOLD (GASB 48)

1. PLEDGED REVENUES

Pledged revenues are specific revenues that have been formally committed to directly collateralize or secure debt of the pledging government, or directly or indirectly collateralize or secure debt of a component unit. **Pledged revenues are revenue bonds that the State Bond Commission or the Louisiana Public Facilities Authority has authorized in your agency's name or in your agency's behalf.** Pledged revenues must be disclosed for each period in which the secured debt remains outstanding. **You must prepare a separate Note Q for each secured debt issued.**

Provide the following information about the specific revenue pledged:

a. Identify the specific pledged revenue:

- Pledged revenue is _____
- Debt secured by the pledged revenue (amount) _____
- Approximate amount of pledge _____
(equal to the remaining principal and interest requirements)

b. Term of the commitment: _____
[number of years (beginning and ending dates by month and year)
that the revenue will not be available for other purposes]

c. General purpose for the debt secured by the pledge: _____

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- d. Relationship of the pledged amount to the specific revenue: _____

 (the proportion of the specific revenue that has been pledged)
- e. Comparison of the pledged revenues (current year information):
- Principal requirements: _____
 - Interest requirements: _____
 - Pledged revenues recognized during the period _____
 (gross pledged revenue minus specified operating expenses)

NOTE: For any new Revenue Bonds, you must send a copy of the following pages:

- Cover page
- Introductory statement
- **Amortization schedule – terms and conditions**
- Plan of financing – sources and used of funds
- Security for the bond (pledged revenue information)

2. FUTURE REVENUES REPORTED AS A SALE

Future revenues reported as a sale are proceeds that an agency/entity received in exchange for the rights to future cash flows from specific future revenues and for which the agency/entity's continuing involvement with those revenues or receivables is effectively terminated. (see Appendix E)

Provide the following information in the year of the sale ONLY:

- a. Identify the specific revenue sold:
- the revenue sold is _____
 - the approximate amount _____
 - significant assumptions used in determining the approximate amount _____
- b. Period of the sale: _____
- c. Relationship of the sold amount to the total for that specific revenue: _____
- d. Comparison of the sale:
- proceeds of the sale _____
 - present value of the future revenues sold _____
 - significant assumptions in determining the present value _____

R. GOVERNMENT-MANDATED NONEXCHANGE TRANSACTIONS (GRANTS)

The following government-mandated nonexchange transactions (grants) were received during fiscal year 2008-2009:

<u>CFDA Number</u>	<u>Program Name</u>	<u>State Match Percentage</u>	<u>Total Amount of Grant</u>
97.036	Public Emergency Assistance	10%	\$ 607,153
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
Total government-mandated nonexchange transactions (grants)			\$ <u>607,153</u>

STATE OF LOUISIANA
Southeast Louisiana Flood Protection Authority – West (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2009

S. VIOLATIONS OF FINANCE-RELATED LEGAL OR CONTRACTUAL PROVISIONS

At June 30, 20__, the _____ (BTA) was not in compliance with the provisions of _____ Bond Reserve Covenant that requires _____. The _____ (BTA) did _____ to correct this deficiency.

T. SHORT-TERM DEBT

The _____ (BTA) issues short-term notes for the following purpose(s) _____

Short-term debt activity for the year ended June 30, 20__, was as follows:

List the type of Short-term debt (e.g., tax anticipation notes)	Beginning Balance	Issued	Redeemed	Ending Balance
_____	\$ _____	\$ _____	\$ _____	\$ _____ -

The _____ (BTA) uses the following revolving line of credit for to finance _____ (list purpose for the S-T debt).

Short-term debt activity for the year ended June 30, 20__, was as follows:

	Beginning Balance	Draws	Redeemed	Ending Balance
Line of credit	\$ _____	\$ _____	\$ _____	\$ _____ -

U. DISAGGREGATION OF RECEIVABLE BALANCES

Receivables at June 30, 20__, were as follows:

Fund (gen. fund, gas tax fund, etc.)	Customer Receivables	Taxes	Receivables from other Governments	Other Receivables	Total Receivables
WJLD Emergency Fund	\$ -	\$ -	\$ 217.00	\$ -	\$ 217.00
WJLD Hurricane Protect Fund			611.00		611.00
Gross receivables	\$ -	\$ -	\$ 828.00	\$ -	\$ 828.00
Less allowance for uncollectible accounts	-	-	-	-	-
Receivables, net	\$ -	\$ -	\$ 828.00	\$ -	\$ 828.00
Amounts not scheduled for collection during the subsequent year	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____ -

STATE OF LOUISIANA
Southeast Louisiana Flood Protection Authority – West (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2009

V. DISAGGREGATION OF PAYABLE BALANCES

Payables at June 30, 20__, were as follows:

Fund	Vendors	Salaries and Benefits	Accrued Interest	Other Payables	Total Payables
General Fund	\$ 3	\$	\$	\$	\$ 3
					-
Total payables	\$ 3	\$ -	\$ -	\$ -	\$ 3

W. SUBSEQUENT EVENTS

Disclose any material event(s) affecting the (BTA) occurring between the close of the fiscal period and issuance of the financial statement.

X. SEGMENT INFORMATION

Governments that report enterprise funds or that use enterprise fund accounting and reporting standards to report their activities are required to present segment information for those activities in the notes to the financial statements. For purposes of this disclosure, a segment is an identifiable activity (or group of activities), reported as or within an enterprise fund or another stand-alone entity that has one or more bonds or other debt instruments outstanding, with a revenue stream pledged in support of that debt. In addition, the activity's revenues, expenses, gains and losses, assets, and liabilities are required to be accounted for separately. This requirement for separate accounting applies if imposed by an external party, such as accounting and reporting requirements set forth in bond indentures. Disclosure requirements for each segment should be met by identifying the types of goods and services provided and by presenting condensed financial statements in the notes, including the elements in A through C below (GASB 34, paragraph 122, as modified by GASB 37, paragraph 17.)

Type of goods or services provided by each segment:

Segment No. 1 _____

Segment No. 2 _____

A. Condensed balance sheet:

- (1) Total assets – distinguishing between current assets, capital assets, and other assets. Amounts receivable from other funds or BTAs should be reported separately.
- (2) Total liabilities – distinguishing between current and long-term amounts. Amounts payable to other funds or BTAs should be reported separately.
- (3) Total net assets – distinguishing among restricted (separately reporting expendable and nonexpendable components); unrestricted; and amounts invested in capital assets, net of related debt.

STATE OF LOUISIANA
Southeast Louisiana Flood Protection Authority – West (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2009

Condensed Balance sheet:

	<u>Segment #1</u>	<u>Segment #2</u>
Current assets	\$ _____	\$ _____
Due from other funds	_____	_____
Capital assets	_____	_____
Other assets	_____	_____
Current liabilities	_____	_____
Due to other funds	_____	_____
Long-term liabilities	_____	_____
Restricted net assets	_____	_____
Unrestricted net assets	_____	_____
Invested in capital assets, net of related debt	_____	_____

B. Condensed statement of revenues, expenses, and changes in net assets:

- (1) Operating revenues (by major source).
- (2) Operating expenses. Depreciation (including any amortization) should be identified separately.
- (3) Operating income (loss).
- (4) Nonoperating revenues (expenses) – with separate reporting of major revenues and expenses.
- (5) Capital contributions and additions to permanent and term endowments.
- (6) Special and extraordinary items.
- (7) Transfers
- (8) Change in net assets.
- (9) Beginning net assets.
- (10) Ending net assets.

Condensed Statement of Revenues, Expenses, and Changes in Net Assets:

	<u>Segment #1</u>	<u>Segment #2</u>
Operating revenues	\$ _____	\$ _____
Operating expenses	_____	_____
Depreciation and amortization	_____	_____
Operating income (loss)	_____	_____
Nonoperating revenues (expenses)	_____	_____
Capital contributions/additions to permanent and term endowments	_____	_____
Special and extraordinary items	_____	_____
Transfers in	_____	_____
Transfers out	_____	_____
Change in net assets	_____	_____
Beginning net assets	_____	_____
Ending net assets	_____	_____

C. Condensed statement of cash flows:

- (1) Net cash provided (used) by:
 - (a) Operating activities
 - (b) Noncapital financing activities
 - (c) Capital and related financing activities
 - (d) Investing activities
- (2) Beginning cash and cash equivalent balances
- (3) Ending cash and cash equivalent balances

STATE OF LOUISIANA
Southeast Louisiana Flood Protection Authority – West (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2009

Condensed Statement of Cash Flows:

	<u>Segment #1</u>	<u>Segment #2</u>
Net cash provided (used) by operating activities	\$ _____	\$ _____
Net cash provided (used) by noncapital financing activities	_____	_____
Net cash provided (used) by capital and related financing activities	_____	_____
Net cash provided (used) by investing activities	_____	_____
Beginning cash and cash equivalent balances	_____	_____
Ending cash and cash equivalent balances	_____	_____

Y. DUE TO/DUE FROM AND TRANSFERS

1. List by fund type the amounts **due from other funds** detailed by individual fund at fiscal year end:
 (Types of funds include general fund, statutory dedicated funds, discrete component unit funds, etc).

<u>Type of Fund</u>	<u>Name of Fund</u>	<u>Amount</u>
Major _____	General Fund	\$ 264
Major _____	WJLD O&M	163
Major _____	ALD O&M	759
Major _____	ALDEmergency Fund	420
Major _____	WJLD WB Hurricane	72
Major _____	WJLD Lafitte Fund	32
Total due from other funds		<u>\$1,710</u>

2. List by fund type the amounts **due to other funds** detailed by individual fund at fiscal year end:

<u>Type of Fund</u>	<u>Name of Fund</u>	<u>Amount</u>
Major _____	WJLD O&M	\$ 1,095
Major _____	ALD O&M	583
Major _____	WJLD WB Hurricane	32
Total due to other funds		<u>\$ 1,710</u>

3. List by fund type **all transfers from other funds for the fiscal year:**

<u>Type of Fund</u>	<u>Name of Fund</u>	<u>Amount</u>
Major _____	WJLD O&M	\$ 456
Major _____	WJLD Emergency Fund	330
Major _____	ALD Emergency Fund	420
Total transfers from other funds		<u>\$1,206</u>

4. List by fund type **all transfers to other funds for the fiscal year:**

<u>Type of Fund</u>	<u>Name of Fund</u>	<u>Amount</u>
Major _____	WJLD O&M	\$ 330
Major _____	ALD O&M	876
Total transfers to other funds		<u>\$ 1,206</u>

STATE OF LOUISIANA
Southeast Louisiana Flood Protection Authority – West (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2009

Z. LIABILITIES PAYABLE FROM RESTRICTED ASSETS

Liabilities payable from restricted assets in the _____ (BTA) at _____ (fiscal year end), reflected at \$ _____ in the liabilities section on Statement A, consist of \$ _____ in accounts payable, \$ _____ in notes payable, and \$ _____ in _____.

AA. PRIOR-YEAR RESTATEMENT OF NET ASSETS

The following adjustments were made to restate beginning net assets for June 30, 20__.

Ending net assets 6/30/08 as reported to OSRAP on PY AFR	*Adjustments to end net assets 6/30/08 (after AFR was submitted to OSRAP) + or (-)	Restatements (Adjustments to beg. Balance 7/1/08) + or (-)	Beg net assets @ 7/1/08 as restated
\$ _____	\$ _____	\$ _____	\$ _____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

Each adjustment must be explained in detail on a separate sheet.
 *Include all audit adjustments accepted by the agency or entity.

BB. NET ASSETS RESTRICTED BY ENABLING LEGISLATION (GASB STATEMENT 46)

Of the total net assets reported on Statement A at June 30, 20__, \$ _____ are restricted by enabling legislation. Enabling legislation authorizes a government to assess, levy, charge, or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that the resources be used only for the specific purposes stipulated in the legislation. Refer to Appendix F for more details on the determination of the amount to be reported as required by GASB Statement 46. List below the net assets restricted by enabling legislation, the purpose of the restriction, and the Louisiana Revised Statute (LRS) that authorized the revenue:

<u>Purpose of Restriction</u>	<u>LA Revised Statute Authorizing Revenue</u>	<u>Amount</u>
_____	_____	\$ _____
_____	_____	_____
_____	_____	_____
Total		\$ _____

CC. IMPAIRMENT OF CAPITAL ASSETS & INSURANCE RECOVERIES

GASB 42 establishes accounting and financial reporting standards for the impairment of capital assets and for insurance recoveries. Governments are required to evaluate prominent events or changes in circumstances affecting capital assets to determine whether impairment has occurred. A capital asset generally should be considered impaired if both (a) the decline in service utility of the capital asset is large in magnitude and (b) the event or change in circumstance is outside the normal life cycle of the capital asset. See Appendix G for more information on GASB 42 and the Impairment of Capital Assets.

STATE OF LOUISIANA
Southeast Louisiana Flood Protection Authority – West (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2009

The following capital assets became permanently impaired in FY 08-09: (Insurance recoveries related to impairment losses should be used to offset those impairment losses if received in the same year as the impairment. Include these insurance recoveries in the third column in the table below. Calculate the net impairment loss after insurance recoveries received in the current fiscal year in the fourth column. Include in the Financial Statement Classification column the account line in which the net impairment loss is reported in the financial statements. There are five indicators of impairment described in Appendix G, (1) physical damage, (2) enactment of laws, etc. List the appropriate number (1-5) to identify the indicator of impairment in the second to last column below.)

<u>Type of asset</u>	<u>Amount of Impairment Loss</u>	<u>Insurance Recovery in the same FY</u>	<u>Net Impairment Loss per Financial Stmt</u>	<u>Financial Statement Classification</u>	<u>Appendix G Indicator of Impairment</u>	<u>Reason for Impairment (e.g. hurricane, fire)</u>
Buildings	\$ _____	\$ _____	\$ _____	_____	_____	_____
Movable Property	_____	_____	_____	_____	_____	_____
Infrastructure	_____	_____	_____	_____	_____	_____

Insurance recoveries received in FY 08-09 related to impairment losses occurring in previous years, and insurance recoveries received in FY 08-09 other than those related to impairment of capital assets, should be reported as program revenues, nonoperating revenues, or extraordinary items, as appropriate. Indicate in the following table the amount and financial statement classification (account line in which the insurance recovery is reported in the financial statements) of insurance recoveries not included in the table above:

<u>Type of asset</u>	<u>Amount of Insurance Recovery</u>	<u>Financial Statement Classification</u>	<u>Reason for insurance recovery (e.g. fire)</u>
Buildings	\$ _____	_____	_____
Movable Property	_____	_____	_____
Infrastructure	_____	_____	_____

The carrying amount of impaired capital assets that are idle at year-end should be disclosed, regardless of whether the impairment is considered permanent or temporary. The following capital assets were idle at the end of the fiscal year: (Include any permanently impaired capital assets listed above that are still idle at the end of the fiscal year, any temporarily impaired capital assets, and any assets impaired in prior years that are still idle at the end of the current fiscal year.)

<u>Type of asset</u>	<u>Carrying Value of Idle Impaired Assets</u>	<u>Reason for Impairment</u>
Buildings - permanently impaired	\$ _____	_____
Buildings - temporarily impaired	_____	_____
Movable Property - permanently impaired	_____	_____
Movable Property - temporarily impaired	_____	_____
Infrastructure - permanently impaired	_____	_____
Infrastructure - temporarily impaired	_____	_____

STATE OF LOUISIANA
Southeast Louisiana Flood Protection Authority – West (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2009

DD. EMPLOYEE TERMINATION BENEFITS

Termination benefits are benefits, other than salaries and wages that are provided by employers as settlement for involuntary terminations initiated by management, or as an incentive for voluntary terminations initiated by employees. Voluntary termination benefits include benefits such as enhanced early retirement options resulting from an approved early retirement plan.

Refer to GASB No. 47, Summary, Recognition Requirements – “Involuntary” termination is recognized when there is a plan of termination approved by the government. “For financial reporting purposes, a plan of involuntary termination is defined as a plan that (a) identifies, at a minimum, the number of employees to be terminated, the job classifications or functions that will be affected and their locations, and when the terminations are expected to occur and (b) establishes the terms of the termination benefits in sufficient detail to enable employees to determine the type and amount of benefits they will receive if they are involuntarily terminated.” This does not only include lay-off plans, but can include “an early-retirement incentive program that affects a significant portion of employees.”

Other termination benefits paid as part of a plan, as described above, may include:

1. Early retirement incentives, such as cash payments, enhancement to defined benefit formula
2. Healthcare coverage when none would otherwise be provided (COBRA)
3. Compensated absences, including payments for leave balances
4. Payments due to early release from employment contracts

GASB 47 requires the following disclosures about an employer's accounting for employee termination benefits:

1. A description of the termination benefit arrangement(s)
2. Period the employer becomes obligated
3. Number of employees affected
4. Cost of termination benefits
5. Type of benefit(s) provided
6. The period of time over which the benefits are expected to be provided
7. If the termination benefit affects the defined benefit pension (OPEB) obligations, disclose the change in the actuarial accrued liability for the pension or OPEB plan attributable to the termination benefit
8. When termination liabilities are reported, disclose the significant methods and assumptions used to determine the liabilities to be disclosed (for as long as the liability is reported)

The GASB 47 note disclosures listed below are provided as an example and should be modified as necessary.

Substantially all employees are eligible for termination benefits upon separation from the state. The agency recognizes the cost of providing these benefits as expenditures when paid during the year. For 2008, the cost of providing those benefits for _____ (number of) voluntary terminations totaled \$_____. For 2008, the cost of providing those benefits for _____ (number of) involuntary terminations totaled \$_____.

[The termination benefits (voluntary and involuntary) paid in FY 2008 should also be included in the Statement of Revenues, Expenses, and Changes in Fund Net Assets on the account line “Administrative” in the Operating Expense Section.]

The liability for the accrued voluntary terminations benefits payable at June 30, _____ is \$_____. This liability consists of _____ (number of) voluntary terminations. The liability for the accrued involuntary terminations benefits payable at June 30, _____ is \$_____. This liability consists of _____ (number of) involuntary terminations.

STATE OF LOUISIANA
Southeast Louisiana Flood Protection Authority – West (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2009

[The termination benefits (voluntary and involuntary) payable at fiscal year end should also be included on the Balance Sheet in the "compensated absences payable" account line.]

If a termination benefit is not recognized because the expected benefits are not estimable, the employer should disclose that fact. Briefly describe termination benefits provided to employees as discussed above. If none, please state that fact.

A terminated employee can continue to access health benefits, however, if the COBRA participant is paying the ENTIRE premium then there is no state contribution on behalf of this individual. Therefore, when a terminated employee pays 100% of the premium, the state would not have a termination liability.

EE. POLLUTION REMEDIATION OBLIGATIONS (BTA)

Pollution remediation costs (or revenue) should be reported in the statement of activities and statement of revenues, expenses, and changes in fund net assets, if appropriate, as a program or operating expense (or revenue), special item, or extraordinary item in accordance with the guidance in Statement 34.

Disclosures

For recognized pollution remediation liabilities and recoveries of pollution remediation outlays, governments should disclose the following:

- a. The nature and source of pollution remediation obligations (for example, federal, state, or local laws or regulations)
- b. The amount of the estimated liability (if not apparent from the financial statements), the methods and assumptions used for the estimate, and the potential for changes due to, for example, price increases or reductions, technology, or applicable laws or regulations
- c. Estimated recoveries reducing the liability.

For pollution remediation liabilities, or portions thereof, that are not yet recognized because they are not reasonably estimable, governments should disclose a general description of the nature of the pollution remediation activities.

SAMPLE disclosure: (This is a sample disclosure. Adapt as necessary to fit your specific agency.)

A preliminary site assessment has been done which revealed _____ (asbestos, polluted ground water, leaking underground fuel storage tanks, etc.) on _____ agency's/entity's property. A possible explanation for this is _____. Further investigation to determine the full nature and extent of this contamination and required remediation has lead to a potential liability of \$ _____. The _____ (agency) paid \$ _____ in remediation costs for fiscal year 2009 and is reporting a balance of \$ _____ for the liability. At this time the complete cost for remediation is unable to be estimated as a result of future remediation contracts, inflation, and the amount of time involved. As these costs become estimable and costs incurred, the liability will be adjusted.

STATE OF LOUISIANA
Southeast Louisiana Flood Protection Authority – West (BTA)
SCHEDULE OF PER DIEM PAID TO BOARD MEMBERS
June 30, 2009
(Fiscal close)

Name	Amount
<u>David Bindewald Sr.</u>	\$ <u>4000</u>
<u>Robert Howson</u>	<u>158</u>
<u>Kaerwin Julien Sr</u>	<u>664</u>
<u>Pat Ketcham</u>	<u>3610</u>
<u>Susan Maclay</u>	<u>9784</u>
<u>Michael Merritt</u>	<u>6900</u>
<u>Mark Morgan</u>	<u>4938</u>
<u>Gerard Viera</u>	<u>5890</u>
<u>Joannes Westerink</u>	<u>1076</u>
<u>Wesley Wilkinson</u>	<u>5130</u>
<u> </u>	<u> </u>
<u> </u>	<u> </u>
<u> </u>	<u> </u>
<u> </u>	<u> </u>
<u> </u>	<u> </u>
<u> </u>	<u> </u>
Total	\$ <u><u>42,150</u></u>

Note: The per diem payments are authorized by Louisiana Revised Statute, and are presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Legislature.

SCHEDULE 1

STATE OF LOUISIANA
Southeast Louisiana Flood Protection Authority – West (BTA)
SCHEDULE OF NOTES PAYABLE
June 30, 2009
(Fiscal close)

Issue	Date of Issue	Original Issue	Principal Outstanding 6/30/08	Redeemed (Issued)	Principal Outstanding 6/30/09	Interest Rates	Interest Outstanding 6/30/09
Total		\$	\$	\$	\$		\$

*Send copies of new amortization schedules

SCHEDULE 3-A

STATE OF LOUISIANA
Southeast Louisiana Flood Protection Authority - West (BTA)
SCHEDULE OF BONDS PAYABLE
June 30, 2009
(Fiscal close)

Issue	Date of Issue	Original Issue	Principal Outstanding 6/30/PY	Redeemed (Issued)	Principal Outstanding 6/30/CY	Interest Rates	Interest Outstanding 6/30/CY
2008 Cert of Indebtedness	4/30/08	\$2,000	\$2,000	\$400	\$1,600	4.10%	\$164
Total		<u>\$ 2,000</u>	<u>\$ 2,000</u>	<u>\$ 400</u>	<u>\$ 1,600</u>		<u>\$ 164</u>

*Send copies of new amortization schedules

SCHEDULE 3-B

STATE OF LOUISIANA
Southeast Louisiana Flood Protection Authority - West (BTA)
SCHEDULE OF CAPITAL LEASE AMORTIZATION
For The Year Ended June 30, 2009

<u>Ending:</u>	<u>Payment</u>	<u>Interest</u>	<u>Principal</u>	<u>Balance</u>
2010	\$ _____	\$ _____	\$ _____	\$ _____ -
2011	_____	_____	_____	_____ -
2012	_____	_____	_____	_____ -
2013	_____	_____	_____	_____ -
2014	_____	_____	_____	_____ -
2015-2019	_____	_____	_____	_____ -
2020-2024	_____	_____	_____	_____ -
2025-2029	_____	_____	_____	_____ -
2030-2034	_____	_____	_____	_____ -
Total	\$ <u> -- </u>	\$ <u> - </u>	\$ <u> - </u>	\$ <u> - </u>

SCHEDULE 4-A

STATE OF LOUISIANA
Southeast Louisiana Flood Protection Authority - West (BTA)
SCHEDULE OF NOTES PAYABLE AMORTIZATION
For the Year Ended June 30, 20__

Fiscal Year Ending:	Principal	Interest
2010	\$ _____	\$ _____
2011	_____	_____
2012	_____	_____
2013	_____	_____
2014	_____	_____
2015-2019	_____	_____
2020-2024	_____	_____
2025-2029	_____	_____
2030-2034	_____	_____
Total	\$ <u> -- </u>	\$ <u> -- </u>

SCHEDULE 4-B

STATE OF LOUISIANA
Southeast Louisiana Flood Protection Authority - West (BTA)
SCHEDULE OF BONDS PAYABLE AMORTIZATION
For The Year Ended June 30, 2009

<u>Fiscal</u> <u>Year</u> <u>Ending:</u>	<u>Principal</u>	<u>Interest</u>
2010	\$ 400	\$ 66
2011	400	49
2012	400	33
2013	400	16
2014		
2015		
2016		
2017		
2018		
2019		
2020		
2021		
2022		
2023		
2024		
2025		
2026		
2027		
2028		
2029		
2030		
2031		
2032		
2033		
2034		
Total	\$ 1,600	\$ 164

STATE OF LOUISIANA

(BTA)

**SCHEDULE OF CURRENT YEAR REVENUE AND EXPENSES
BUDGETARY COMPARISON OF CURRENT APPROPRIATION**

NON-GAAP BASIS

JUNE 30, 2009

	Financial Statement	Adjustments	ISIS Appropriation Report-08/14/09	Revised Budget	Variance Positive/(Negative)
Revenues:					
Intergovernmental Revenues	\$	\$	\$	\$	\$
Federal Funds			-		-
Sales of Commodities and Services			-		-
Other			-		-
Total appropriated revenues	-	-	-	-	-
Expenses:					
Cost of goods sold	\$	\$	\$	\$	\$
Personal services			-		-
Travel			-		-
Operating Services			-		-
Supplies			-		-
Professional services			-		-
Other charges			-		-
Capital outlay			-		-
Interagency transfers			-		-
Debt service			-		-
Other:					
Bad debts			-		-
Depreciation			-		-
Compensated absences			-		-
Interest expense			-		-
Other (identify)			-		-
Total appropriated expenses	-	-	-	-	-
Excess (deficiency) of revenues over expenses (budget basis)	\$	\$	\$	\$	\$

Note: Schedule 5 is only applicable for those entities whose budget is appropriated by the legislature.

SCHEDULE 5

STATE OF LOUISIANA

(BTA)

SCHEDULE OF CURRENT YEAR REVENUE AND EXPENSES
BUDGETARY COMPARISON OF CURRENT APPROPRIATION
NON-GAAP BASIS
June 30, 2009

Excess (deficiency) of revenues over expenses (budget basis)	\$	
Reconciling items:		
Cash carryover		
Use of money and property (interest income)		
Depreciation		
Compensated absences adjustment		
Capital outlay		
Disposal of fixed assets		
Change in inventory		
Interest expense		
Bad debts expense		
Prepaid expenses		
Principal payment		
Loan Principal Repayments included in Revenue		
Loan Disbursements included in Expenses		
Accounts receivable adjustment		
Accounts payable/estimated liabilities adjustment		
Other		
Change in Net Assets	\$	-

Note: Schedule 5 is only applicable for entities whose budget is appropriated by the legislature.

STATE OF LOUISIANA

Southeast Louisiana Flood Protection Authority - West (BTA)

COMPARISON FIGURES

To assist OSRAP in determining the reason for the change in financial position for the State, please complete the schedule below. If the change is greater than \$1 million, explain the reason for the change.

	<u>2009</u>	<u>2008</u>	<u>Difference</u>	<u>Percentage Change</u>
1) Revenues	\$ <u>124</u>	\$ <u>344</u>	\$ <u>(220)</u>	<u>(63)%</u>
Expenses	<u>6,432</u>	<u>5,821</u>	<u>611</u>	<u>10%</u>
2) Capital assets	<u>51,264</u>	<u>51,736</u>	<u>(472)</u>	<u>(1)%</u>
Long-term debt	<u>2,069</u>	<u>2,326</u>	<u>(257)</u>	<u>(11)%</u>
Net Assets	<u>61,467</u>	<u>59,320</u>	<u>2,147</u>	<u>3%</u>
Explanation for change:	<u></u>			
	<u></u>			
	<u></u>			
	<u></u>			

Revenues down \$220 due to decreases in oil & gas royalties.

Expenses up \$611 due to 1) raises to executive staff, hiring of a new in-house civil engineer, emergency costs associated with Hurricanes Gustav and Ike.

Capital Assets down \$472 due to depreciation.

Long-term Debt is down \$257 – 1) payment of \$400 on bonds payable, offset by increase in OPEB of 148 and compensated absences of \$20.

SINGLE AUDIT SECTION

Paul C. Rivera, CPA

(504) 371-4390

**INDEPENDENT AUDITOR'S REPORT ON
INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

Board of Commissioners
Southeast Louisiana Flood Protection Authority - West
Marrero, Louisiana

I have audited the financial statements of the governmental activities, each major fund, the aggregate remaining fund information of the Southeast Louisiana Flood Control Authority – West (the “West Authority”), which is a component unit of the State of Louisiana, as of and for the year ended June 30, 2009, which collectively comprise the West Authority’s basic financial statements and have issued my report thereon dated August 31, 2009. I conducted my audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

In planning and performing my audit, I considered the West Authority's internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the West Authority’s internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of the West Authority’s internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the West Authority’s ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the West Authority’s financial statements that is more than inconsequential will not be prevented or detected by the West Authority’s internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the West Authority's internal control.

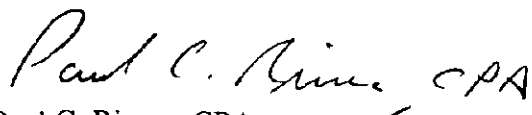
My consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. I did not identify any deficiencies in internal control over financial reporting that I consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the West Authority's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

I noted certain matters that I reported to the management of the West Authority in a separate letter dated August 31, 2009.

This report is intended solely for the information of the Board of Commissioners of the West Authority, management, the Legislative Auditor of the State of Louisiana, and all applicable federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



Paul C. Rivera, CPA
Marrero, Louisiana
August 31, 2009

Paul C. Rivera, CPA

(504) 371-4390

**INDEPENDENT AUDITOR'S REPORT
ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM AND
INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH OMB CIRCULAR A-133**

Board of Commissioners
Southeast Louisiana Flood Protection Authority - West
Marrero, Louisiana

Compliance

I have audited the compliance of the Southeast Louisiana Flood Control Authority – West (the “West Authority”), which is a component unit of the State of Louisiana, with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2009. The West Authority’s major federal programs are identified in the Summary of Auditor’s Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the West Authority’s management. My responsibility is to express an opinion on the West Authority’s compliance based on my audit.

I conducted my audit of compliance in accordance with auditing standards generally accepted in the United States; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that I plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the West Authority’s compliance with those requirements and performing such other procedures as I considered necessary in the circumstances. I believe that my audit provides a reasonable basis for my opinion. My audit does not provide a legal determination on the West Authority’s compliance with those requirements.

In my opinion, the West Authority complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2009.

Internal Control over Compliance

The management of the West Authority is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing my audit, I considered the West Authority's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine my auditing procedures for the purpose of expressing my opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

A control deficiency in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material non-compliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

My consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. I did not identify any deficiencies in internal control over compliance that I consider to be material weaknesses, as defined above.

This report is intended for the information of the Board of Commissioners, management, the Legislative Auditor of the State of Louisiana, and all applicable federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



Paul C. Rivera, CPA
Marrero, Louisiana
August 31, 2009

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY - WEST
State of Louisiana**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Fiscal Year Ended June 30, 2009**

A. Summary of Auditor's Results

1. The auditor's report expresses an unqualified opinion on the financial statements of the Southeast Louisiana Flood Protection Authority - West (the "West Authority") for the year ended June 30, 2009. It is noted that the West Authority is a component unit of the State of Louisiana.
2. No significant deficiencies relating to the audit of the financial statements are reported in the "Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit Performed in Accordance with *Government Auditing Standards*".
3. No instances of noncompliance material to the financial statements of the West Authority are reported in the "Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit Performed in Accordance with *Government Auditing Standards*".
4. No significant deficiencies relating to the audit of the major federal award programs are reported in the "Independent Auditor's Report on Compliance with Requirements Applicable to Each Major program and on Internal Control over Compliance in Accordance with OMB Circular A-133".
5. The auditor's report on compliance for the major federal award programs for the West Authority expresses an unqualified opinion on all major federal programs.
6. There were no findings that are required to be reported in accordance with Section 510(a) of OMB Circular A-133.
7. The following programs were identified as major programs:

CFDA Number	Name of Federal Program (or Cluster)
97.036	Emergency Public Assistance – Hurricanes Gustav and Ike
8. The threshold for distinguishing between Type A and Type B programs was \$300,000.
9. The West Authority did not qualify as a "low-risk" auditee.
10. A separate management letter was issued for the year ended June 30, 2009.

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY - WEST
State of Louisiana**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
For the Fiscal Year Ended June 30, 2009**

B. Findings Related to the Financial Audit

There were no findings related to the financial audit for the year ended June 30, 2009.

C. Findings and Questioned Costs – Major Federal Award Program Audit

There were no finding related to federal awards for the year ended June 30, 2009.

D. Status of Prior Year Findings and Questioned Costs

There were no findings from the prior year.

MEMORANDUM OF ADVISORY COMMENTS

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY – WEST
State of Louisiana**

For the Fiscal Year Ended June 30, 2009

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**INTERNAL CONTROL
AND RELATED MATTERS**

Paul C. Rivera, CPA


The Board of Commissioners
Southeast Louisiana Flood Protection Authority - West
Marrero, Louisiana

I have audited the financial statements of the Southeast Louisiana Flood Protection Authority - West (the "West Authority"), a component unit of the State of Louisiana, as of and for the fiscal year ended June 30, 2009, and have issued my reports thereon dated August 31, 2009. As part of my audit, I considered the West Authority's internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing an opinion on the financial statements, and not to provide an opinion on the effectiveness of the West Authority's internal control.

Control Deficiencies, which may have been noted during my consideration of the internal control over financial reporting, have been reported on in a separately issued report, entitled "Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*".

This memorandum summarizes various immaterial control deficiencies, instances of noncompliance, and other matters that have come to my attention. While not involving significant control deficiencies or material weaknesses, these matters do present opportunities for strengthening the West Authority's internal controls and improving the operating efficiency of the West Authority.

I have already discussed these comments and suggestions with the West Authority's administrative personnel and have included their responses. I will be pleased to discuss these comments and suggestions with you in further detail at your convenience, perform an additional study of these matters, or assist you in implementing the recommendations.



Paul C. Rivera, CPA
Marrero, Louisiana
August 31, 2009

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY – WEST
State of Louisiana**

**INTERNAL CONTROL AND RELATED MATTERS
JUNE 30, 2009**

PROTECTING THE ASSETS OF THE WEST AUTHORITY

IC09-1 COMMENT

The statute that created the Algiers Levee District called for an amount to be withheld from its pro-rata share of property taxes to help pay the existing long-term bonded debt of the Orleans Levee District. During 2007, 2008 and 2009, amounts were withheld and placed into escrow accounts that are being held by the Orleans Levee District. At June 30, 2009, the two escrow accounts had balances of \$735,262 and \$1,271,108.

It is my understanding that the Orleans Levee District has not yet used this money for payment of debt service. Also, there is no written agreement on the custody and disposition of these escrowed funds.

RECOMMENDATION

If these funds are not going to be used for debt service payments, as called for by the statute, the funds should revert back to the Algiers Levee District for operations and maintenance. The status and availability of these funds to the Algiers Levee District should be investigated. In addition, a formal escrow agreement should be executed between the two authorities to outline the conditions and terms of the use of these funds.

RESPONSE

We have hired legal counsel to investigate this matter and to draft a formal escrow agreement on these funds.

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY – WEST
State of Louisiana**

**INTERNAL CONTROL AND RELATED MATTERS
JUNE 30, 2009**

IC09-2 COMMENT

Act 475 of the 2007 Legislative session also carved out a portion of the West Jefferson Levee District (WJLD) into a new Lafitte Area Independent Levee District. Under the creating statute, WJLD was to turn over all assets and funds in the newly created area to the Lafitte Levee District. Several capital assets were transferred to the new district, however, due to the timing of the reorganization and delays in setting up the new district, WJLD O&M Special Revenue Fund continued to receive the ad valorem taxes for the entire area for the current tax roll year. The Assessor's Office was asked to make a final determination on the allocation of taxes between WJLD and Lafitte based on a review of the tax rolls. In the meantime, WJLD advanced \$150,000 to Lafitte as a down-payment on 2008 taxes owed and \$200,000 for the 2009 taxes.

In April 2008, the Assessor's Office indicated that WJLD owed Lafitte \$227,205 for taxes in 2008, thus, it appears that WJLD owes an additional \$77,205 for that year and another \$27,205 for 2009. WJLD is disputing these figures as it appears to include property outside of the statutory boundaries of the newly created Lafitte Levee District. The West Authority has asked the Assessor's Office to take a second look at their calculations, however, nothing has been done by the Assessor as of this date. Due to the uncertainty of the amount, nothing has been accrued in the financial statements.

RECOMMENDATION

The West Authority should contact the Jefferson Parish Assessor's Office again to ask for a final allocation of the 2007 property tax roll (i.e., 2008 taxes) and the 2008 tax roll (i.e., 2009 taxes). The West Authority should also ask the Jefferson Parish Assessor's Office to ensure that this "splitting" of the tax rolls takes place in time for the 2009 tax roll so that 2010 taxes are recorded and split properly between the two districts.

RESPONSE

We have tried to have the Assessor's Office address this but have not had any success in making this happen. We will try again this year.

**STATUS OF PRIOR YEAR
COMMENTS AND FINDINGS**

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY – WEST
State of Louisiana**

**STATUS OF PRIOR YEAR COMMENTS AND FINDINGS
June 30, 2009**

Prior Year Comment No.	Prior Year Comment	Status
IC08-1	Securities Pledged accounts not in correct name of new entity.	Resolved
IC08-2	Orleans Levee District holding back funds from Algiers for debt service and not making payments.	Not Resolved – See CY Comment IC09-1
IC08-3	Orleans Levee District possibly not remitting correct amounts of ad valorem taxes.	Resolved
IC08-4	Orleans Levee District possibly not remitting correct amounts of “back taxes”.	Resolved
IC08-5	Orleans Levee District possibly owed additional “assets or funds” to Algiers Levee District.	Resolved
IC08-6	JP Assessor not splitting Lafitte Levee District property taxes from West Jefferson Levee District taxes.	Not Resolved – See CY Comment IC09-2
IC08-7	Surplus property auctioneer had not remitted funds from sale to SELFPA-W.	Resolved